The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

New German-Japanese Propaganda Film to Counter "Good Earth"

ARTICLES IN THIS ISSUE

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(By the Review's South China Correspondent)

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How Hupeh Governor Administers Province . . By S. Y. Chi

Can Japan Survive? . . . . . By Nugent Rugge

SATURDAY, APRIL 17, 1937 VOLUME 80, NUMBER 7

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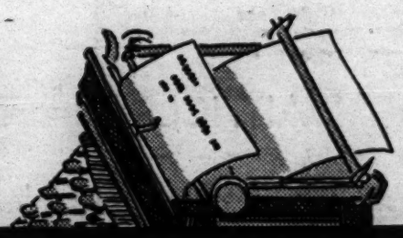

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The China Weekly REVIEW

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Formerly Millard's Review

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ARE THE CHINESE SERIOUS ABOUT EXTRALITY ABOLITION?

ON several occasions when the Japanese Economic Mission was in Shanghai a few weeks ago there were inspired reports in the local Japanese newspapers that the Japanese might voluntarily surrender their exterritorial rights as a means of improving Sino-Japanese relations. What the Japanese probably had in mind was that they might be willing to trade off their extrality status in central and south China in exchange for China's recognition of the puppet state of Manchukuo and the special position which the Japanese military authorities have created for themselves in the northern Chinese provinces.

The Japanese also believe that the abolition of foreign court jurisdictions would have a more detrimental effect on the activities of Americans and Europeans than it would have on Japanese residents. This belief is based on the fact that the Japanese are nearer to China and have a larger naval force available for protective and coercive purposes. That unofficial Japanese proposals for voluntary surrender of extrality privileges are not inspired by altruism is obvious, despite the fact that such suggestions usually are accompanied by professions of Japanese sympathy based on the fact that European nations also had extraterritorial rights in Japan for many years.

Aside from reports in the Japanese newspapers there have been suggestions from Chinese sources which indicate a renewed interest on the part of the Chinese authorities in this important question. The Chinese Bar Association and the Chinese Ratepayers Association of the International Settlement have sent telegrams to Dr. Wang Chung-hui, Minister of Foreign Affairs urging the inauguration of early negotiations for abolition of foreign consular jurisdiction in China. The Bar Association was reported to have suggested that the Executive Yuan should request the Powers still possessing extrality rights to surrender same voluntarily and in the event of a refusal to comply within a specified time, China

should take unilateral action. The Japanese newspapers have also reported that other Chinese bodies such as the Chamber of Commerce and United Chinese Residents Federation had sent similar telegrams to Nanking, apparently in response to suggestions from the local Chinese lawyers. The *China Press* reported that an organization of some 170 commercial guilds had also sent a strong petition to Nanking urging a decision on the subject, declaring that China's political and judicial systems had now reached a stage of development that a continuance of the extrality system is no longer justified. Foreign nations, which respect China's sovereignty should relinquish unjustified privileges, while other countries which still cling to their old 19th century policies "should be notified that their extrality rights will be declared null and void within a definite time."

While it remains to be seen whether these resolutions constitute the beginning of another strong campaign for the abolition of foreign consular jurisdictions, there probably was more significance in the resolution passed on Monday of this week by the powerful Chinese Ratepayers Association demanding equal power and status with the foreigners in the administration of local municipal affairs. The fact that Chinese opposition was sufficient to cause the foreign municipal authorities to postpone the recently announced tax increase was indicative of growing Chinese power in the Settlement.

Faced with two demands, abolition of exterritoriality and the granting of equal power and status to the Chinese in the Settlement the chances are that the foreigners would prefer an equal partnership with the Chinese in the administration of the Settlement to any general surrender of consular jurisdictions. Although unmentioned in the discussions there is a further reason why most foreigners probably would be more willing now than previously to accept equal partnership with the Chinese in the administration of the Settlement, this reason being based on a general feeling that Sino-foreign cooperation would offset Japanese schemes for seizing control of the territory by force. But there are some foreign die-hards who would prefer Japanese control to Chinese control or even an equal partnership with the Chinese!

Despite a recent statement by H. G. W. Woodhead that the Japanese military units here should be regarded as a part of the Shanghai "defense" force, there is a general realization that the large Japanese military establishment in the Hongkew section constitutes a menace to foreigners as well as the Chinese. Therefore the most logical method of meeting the menace would be for the foreigners to cooperate with the Chinese and thus neutralize Japanese influence. It is only necessary to observe the constant parades of military trucks loaded with Japanese soldiers passing through the streets of the Settlement to realize that unless something is done shortly the Japanese will obtain control, not only of the Hongkew section which they already dominate, but of the remainder of the International Settlement as well.

Of special interest in this connection is a new book dealing with the Shanghai problem which was written by Prof William Crane Johnstone, Jr. of George Washington University (Published by Stanford University Press and Oxford University Press), copies of which have just been received in Shanghai. In the last paragraphs of Prof. Johnstone's excellent book he pointed out that Japan's growing influence and the undoubted intention of the Japanese to pursue their course in China with little regard for the interests of the other Powers, must be taken into consideration. On the preceding page, after discussing various ways of solving the Shanghai deadlock, the author declared, "There remains, finally, resort to the use of force as a means of solution. This might involve either the use of force by a strong Chinese Government able to establish its full sovereignty in Shanghai or the use of force by a group of Powers or a single Power in gaining the acceptance of the Chinese Government of a new plan for the status of Shanghai . . . ."

That there is an intimate connection between the exterritorial system and the status of the Settlements is obvious, because as Prof. Johnstone points out, "While both foreign settlements rest upon a vague and indefinite treaty basis, their existence is largely dependent on treaty-guaranteed exterritoiral rights. It is this system which is largely responsible for preventing the Chinese Government from enforcing Chinese law in the foreign settlements, and it is this system which has enabled the foreigners to extend their jurisdiction and control over the Chinese residents of these settlements . . . . The link between the status of the foreign areas and extraterritoriality, then, is very close, although it is not alsolute . . . *but* it would seem that the existence of the foreign settlements in Shanghai is so closely bound up with the system of extraterritoriality that the two problem must inevitably be considered together . . . ."

While there has been no statement from official quarters indicating China's intentions with respect to the exterritorial question, the recent appointment of Dr. Wang Chung-hui as Minister of Foreign Affairs and Dr. C. T. Wang as Ambassador to the United States have been responsible for rumors that Nanking intends to tackle the question. Dr. Wang Chung-hui, one of the country's outstanding jurists and long representative on the Hague Tribunal, is obviously interested in the solution of the problem while Dr. C. T. Wang as Foreign Minister a few years ago, almost suc-

ceeded in inducing America and the European powers to revise their treaties dealing with the issue. But Japan put a stop to the negotiations by intervening in Manchuria and the foreign ministers who succeeded Dr. Wang at Nanking have had more serious problems to deal with.

There are some who think conditions might be more favorable now than previously for attempting another solution of the exterritorial issue, one being the possibility that the Japanese might be desirous of surrendering their "rights" as a good-will gesture or in exchange for something, as indicated in the foregoing. As for the Americans and Europeans they might be able to make a more advantageous deal now due to China's desire to obtain Occidental assistance than was the case in 1926 when the International Commission on Exterritoriality investigated conditions and made its report.

The Exterritorial Commission, headed by the well known Chicago attorney Silas H. Strawn was appointed as a result of a resolution adopted at the Washington Arms Conference in 1922. Had the Commission taken up its work immediately following the Washington Conference, it might have succeeded in reaching an understanding with China, but the Powers were not able to take action until 1926 and by that time political conditions had become so unsettled that agreement was impossible.

Although much has happened since the State Department published the report of the Exterritorial Commission (1926), there are several passages in the report which are still timely, one being Section 5 pertaining to taxation which reads as follows: "Pending the abolition of exterrtoriality, the nationals of the Powers concerned should be required to pay such taxes as may be prescribed in laws and regulations duly promulgated by the competent authorities of the Chinese Government and recognized by the Powers concerned as applicable to their nationals." This recommendation contained the signatures of Silas H. Strawn, American delegate; A. Van Cutsem, Belgian delegate; Sir Sikinner Turner, British Delegate and Dr. Wang Chung-hui, Chinese delegate.

CHINA NO LONGER A REFUGE FOR KOREANS—22 DEPORTED

ALTHOUGH there has been no verification from Chinese sources the deportation from Nanking and Shanghai of twenty-two Koreans has suggested the possibility that China has at last succumbed to Japanese pressure and no longer will permit Japan's Korean subjects to enjoy political refuge on Chinese soil. Several months ago *The Review* published a report that the Japanese military attache, upon instructions of the Kwantung army in Manchuria, had demanded that the National Government discharge a number of Korean students who were enrolled in the Central Military Academy at Nanking. The Japanese alleged that the Koreans were revolutionists and were plotting to overthrow Japanese rule in the Korean peninsula. The Japanese military authorities also charged that many of the Koreans residing at Nanking and Shanghai were engaged in seditious activities and alleged they were being shielded by the Chinese authorities.

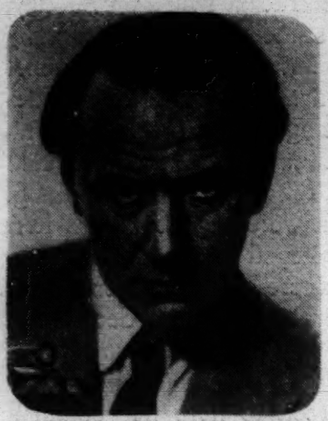
Whether any of the Koreans deported from Shanghai on the steamer Heian Maru on Sunday, April 11, had been students in the Nanking military academy was not known. The *Domei* report only listed the names of three of the deportees, one of them being a woman named Bijun Kei, 38 year-old nurse and midwife who had practiced her profession for nine years in Nanking. Her two small children were deported with her. The Japanese report alleged she had served as an agitator against Japanese rule over her homeland for ten years, "but finally had decided to abandon anti-Japanese agitation and throw hereself upon the mercy of the Japanese consular police . . . who had agreed to help her obtain a living in Korea . . . in exchange for which she had agreed to forsake the revolutionary movement." She was well known among Chinese officialdom.

The others named in the report were Kim Shen-shou (Chinese name Chin Shen-shiu) whom the Japanese charged with membership in a Korean terrorist organization. He also was charged with the murder of three of his fellow countrymen and in addition the Japanese claimed he had been involved in an armed robbery. Kim will be tried in Korea. The other whose name was published, was Ko Insho, also charged with membership in a revolutionary organization. The report said he would be indicted for violating the Japanese peace preservation law. The remaining nineteen included in their ranks, according to the Japanese report, two charged with vagrancy, one juvenile delinquent, and sixteen who had violated Tokyo Foreign Office regulations which cover such crimes as indecent exposure, sale of narcotics, etc. Japanese subjects convicted of narcotic dealings usually only receive 30 day jail sentences.

In a previous discussion of the subject (issue of April 10, Page 198) it was shown how the Japanese military police who were brought here from Korea and attached to the local Japanese consulate-general, had practically succeeded in breaking up the once prosperous Korean colony at Shanghai, the members of which resided in the local French Concession and in adjoining Chinese territory. Most of the Koreans were Christians and so far as the Occidental community at Shanghai was aware they were lawabiding, most of the men being shop-keepers while the women were engaged in needlework, chiefly the making of children's garments for families of local Americans and other foreign residents.

Germans Help Japanese Produce "New Earth," Manchukuo Propaganda Film

THE *Osaka Mainichi* published on March 21 an 8-page illustrated supplement devoted largely to the Japan-German military pact, but one of the most interesting features of the supplement was a description of a new propaganda film now being produced in Japan under German auspices. The title of the film is "New Earth," which immediately brings the suggestion that it is a German-Japanese attempt to counter the Sino-American production "Good Earth," dramatization of Pearl Buck's famous novel of Chinese life which is now being shown in the United States and copies of which are now in the hands of the Nanking censors prior to exhibition here.



Dr. Arnold Fanck, German Director of the Japanese Attempt to Counter Pearl Buck's "Good Earth."

The German-Japanese film "New Earth," judging from the description, is designed to be a powerful piece of German-Japanese-Manchukuo propaganda, symbolizing the recently concluded Nippon-Nazi military alliance against Russia (and China?). "Never before," declared the writer of the article in the *Mainichi*, "has there been produced in Japan a picture on such gigantic scale or turned out at such huge cost or with such a large amount of foreign assistance." Dr. Arnold Fanck, well known German film director and a large staff of assistants, have been in Japan for more than a year and in that period have used up 470,400 feet of film and have expended Yen 700,000, ten times the cost of the most expensive picture previously produced in Japan.

The services of 9,123 people were required to produce the picture and some 50 different sets were built, the locations including Mount Fuji, volcanoes Aso, Asama, Yatetake, picturesque Kamikochi mountain region, ancient capital region about Kyoto, Nara, Tokyo, commercial metropolis of Osaka, Lake Biwa region, Kamakura and the various shrines. The following is a brief summary of the plot:

"The hero, an adopted son, returns to his native land after 8 years spent abroad, western civilization having become part of his life, he finds himself in the midst of a bitter struggle within his heart when he renews acquaintanceship with Japan . . . . the picture which unfolds the soul of Old Nippon against the setting of New Japan is climaxed when the battle is won and he prevents his pretty bride-to-be from leaping into a burning crater in traditional Japanese suicide setting . . . . the spirit of Old Nippon then returns to his heart and the two decide to become pioneers in the "new earth" (empire) of Manchukuo." The following themes are depicted:

1. The tragedy of Mitsuko, the sensitive daughter of a stern father, who is a descendant of samurai.
2. The Eastern and the Western winds, the Eastern symbolizing Oriental civilization and the Western meaning Occidental culture.
3. The marriage problem in Japan.
4. The superb beauty of Japanese peaks.
5. Life and nature in Japan.
6. Man's struggle against nature.

German-Japanese Friendship as Depicted in the new propaganda film designed to glorify modern Nippon and consolidate the relations of Japan-Manchukuo-Germany. The title across the top of the drawing, reproduced from the *Osaka Mainichi*, reads, "Reich, Nippon Grip Hands in Fight Against Red Menace."

7. What is "New Earth?"

1. Mitsuko might be regarded as the ideal Japanese girl, as pictured by Dr. Fanck. She has undergone every sort of cultural and other training, waiting for the return of her bridegroom-to-be. However, what will happen if she finds that the youth does not reciprocate her love?

2. Dr. Fanck depicts Japan, where the Eastern and the Western winds are raging. He sees a whirlwind in the town and in the countryside. The Japanese attachment to the soil as described in the film reminds one of the spirit of the famed French picture "Maria Chapelaine."

3. The Japanese matrimonial question in the picture is solved according to German ideas. It is a problem between a conservative girl and a progressive young man educated abroad, who were betrothed while they were children.

4. The picture is the crystallization of the beauty of Japanese peaks as seen by Dr. Fanck. Unlike his previous films which describe the beauty of snowy peaks and icebergs, his latest production unfolds the sublimity and grandeur of the Japanese volcanoes.

5. The interesting scenes of life and the beautiful landscapes in Japan are another salient feature of "New Earth".

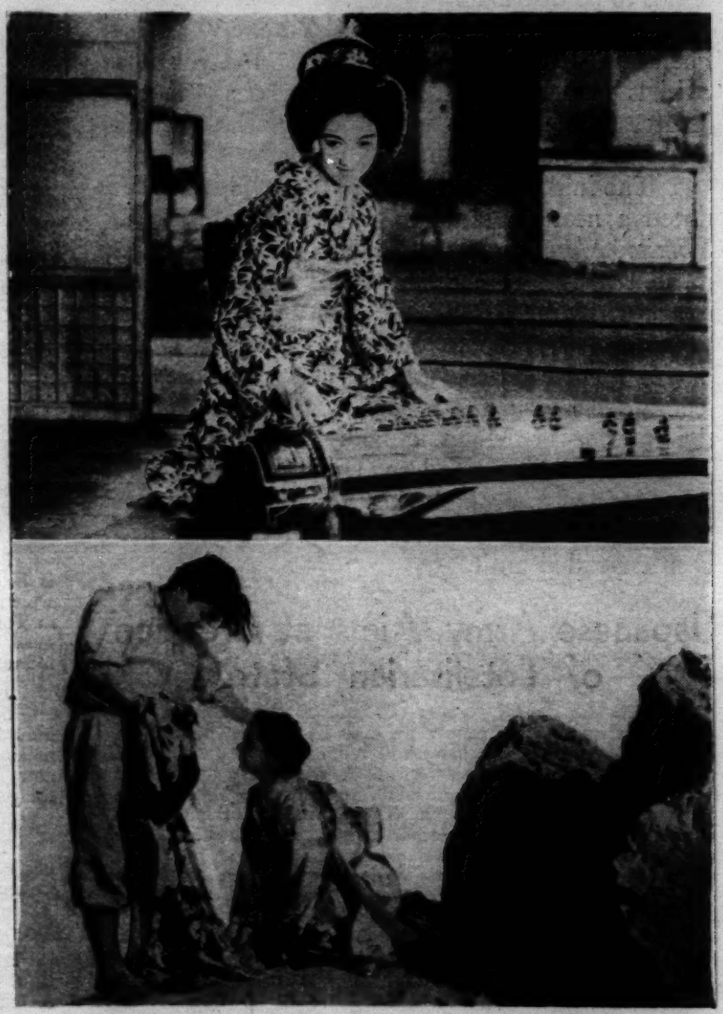
6. Treated with equal emphasis is the battle of the Japanese people against the fierce manifestations of Mother Nature—volcanic activities, earthquakes, and angry waves, "Man of Aran" and Dr. Fanck's "S.O.S. Iceberg" have undoubtedly given hints to the directors of "New Earth."

7. Even the mountain slopes have been converted into arable land. If there is no more room for cultivation for her growing population Japan must seek "New Earth" for her future generations. The hero of the picture, who fought against foreign culture, Mother Nature, and burning peaks, still goes on fighting the battle for life as a pioneer in Manchoukuo.

Those taking leading parts in the film include the U. S. trained Sessue Hayakawa, formerly well known in Hollywood, who will take the part of the stern Japanese parent, descendant of samurai; Isamu Kosugi, veteran player of the Nikkatsu studio in Japan, who will play the role of the son adopted into the Japanese family in order to carry on the family name, while Miss Setsuko Hara, leading star, will take the part of the sensitive daughter. Miss Ruth Eweler, German actress who played in "Mazurka" with Pola Negri, takes the part of the foreign newspaperwoman who visits Japan and becomes the close friend of the Japanese adopted son.

The filming of the picture was supervised by a large staff of German technical men, including Richard Angst, Walter Riml, Hans Standinger, Alice Ludwig, Herbert Tjadens, Karl Bucholz. Kosaku Yamada, foremost composer of Japan was responsible for the musical composition and supervision, the music being furnished by the Chuo Symphony and New Symphony orchestras of Japan.

Although not directly concerned with the German-Japanese-Manchukuo propaganda film, the "New Earth," special supplement of the *Mainichi* devoted considerable attention to the recently formed Sino-Soviet Cultural Association in Nanking of which Sun Fo, president of the Legislative Yuan is chairman and the Soviet Ambassador Dmitri Bogomolov, a member of the Executive Committee. It was alleged that the society had fostered a Sino-Soviet secret pact wherein Russia had agreed not to recognize Manchukuo and would cease extending financial assistance to the Chinese reds and other subversive groups in China while the Chinese communist party would switch its animosities from Gen. Chiang Kai-shek to Imperial Japan.



Scenes from the German-Japanese film "New Earth," showing Miss Setsuko Hara, Japanese film star and Isamu Kosugi, veteran actor who plays the leading role in the film

While the film "New Earth" constitutes a major propaganda effort to cement the relations of Germany-Japan-Manchukuo, the Japanese also intend to use it in connection with their domestic campaign to induce Japanese to migrate to the puppet state. Furthermore they intend to exhibit the picture in the foreign concessions in China and in North China and in Manchukuo as an offset to the Chinese film "Good Earth," which was made under Chinese advisory supervision in Hollywood.

Although the production of the German-directed "New Earth" film apparently has been

successful, the same cannot be said regarding another propaganda film called "Modern Japan" upon which the Foreign Office has expended considerable time, effort and money. Several months ago someone suggested that the Foreign Office should produce a film for exhibition in some 30 foreign countries which would provide a favorable advertisement of modern Japan. While the picture was financed from government funds it was to be distributed through the so-called "International Cultural Relations Bureau," in cooperation with Japanese diplomatic and consular officials abroad. Ken Yanagisawa, chief of the "cultural enterprises" department of the Foreign Office had charge of the production.

The initial showing of "Modern Japan" produced a near-riot according to an article in the *Yomiuri Shimbun*, which stated that there was so much criticism the Home Office authorities and police department decided to ban five reels of the film. A later report quoted a Foreign Office official named Tatebayashi as declaring that the scenes depicted in the propaganda film resembled the interior of Mongolia and other uncivilized places rather than modern Japan; hence it had been decided to prohibit the exhibition of the picture despite the fact more than Yen 100,000 had been expended on it.

Japanese Army Aims at Creation of Totalitarian State

SHOULD the general election of April 30 "conclusively" demonstrate that the people are opposed to the policies of the Government, the latter will resign *en bloc*.

This statement, profusely qualified, was made by Premier Senjuro Hayashi when he returned in Tokyo from a trip to western Japan on the night of April 12. The declaration, in spite of its thick hedging of conditions, attracted widespread attention as it ran counter to an official spokesman's announcement previously that the Government would dissolve the new Diet "if the situation warrants it." Said the Premier: "Should the honest convictions, justly arrived at by representatives fairly elected in the forthcoming elections, differ with what the Government believes to be right, the latter will naturally have to reconsider."

Earlier the same day an official spokesman had said that the Government would dissolve the new Diet if the situation warranted it. This statement was made as a result of increasing indications that the joint front of the Minseito and Seiyukai parties would succeed in gaining an absolute majority in the Lower Chamber in the elections of April 30. Informed of the spokesman's declaration Ryutaro Nagai, Secretary-General of the Minseito Party, asserted that the re-dissolution of the Diet "will only result in a miserable effeat for the Government." Ichiro Hatoyama, a Seiyukai leader, declared that his party is not afraid of repeated dissolutions and would "fight for constitutional government till death."

The Japanese Government, it is understood, has decided that an extra Diet, following the general election, will be convoked in July for 10 days to deliberate the Farmland Bill, the National Health Insurance Bill, the Military Secrets Bill which failed to pass the last Diet, and also the Election Law Revision Bill which will be compiled by the Government.

Creation of a board of national planning, which will be entrusted with the task of co-ordinating new national policies, was decided upon by the Japanese Cabinet, April 12.

Japan's voters were urged April 13 by Premier Hayashi to elect to the new Diet "men devoted to public service and ready to place national interests above all others."

Army Claims to Be Propelling Force in National Affairs

Boldly claiming for the Army the distinction of having become the "propelling force in promoting national fortunes," Gen. Sugiyama, Minister of War, April 8 declared that his Service was aiming at the creation of a totalitarian state "devoted to national defense." This statement, which political observers in Tokyo described as being of far-reaching significance, was made at a meeting of more than 600 officers in active service and in the reserve. The "gloomy" relations now existing between Japan and the Soviet Union and conditions in China were cited by Gen. Sugiyama. Close co-operation between the people and the Army, not only in form but in substance as well, so as vigorously to uplift the nation's collective capacity, was essential to carry out the military replenishment program, Gen. Sugiyama asserted.

Unanimity among the members of the Cabinet on the plans for the strengthening of national defense was emphasized by Gen. Sugiyama, War Minister, in an interview with *Domei* April 10. The replenishment of defense, he added, will not meet with any obstacles, as the Cabinet had approved the Army's six-year rearmament plan. At its emergency meeting April 10, Gen. Sugiyama revealed, the Cabinet included the creation of a central aviation body among its major objectives. The composition and powers of this organization, he added, would be decided to a joint conference of officials of the Ministries of War, Navy and Communications.

Ex-Premier Hirota Seen as Head of New Party

Koki Hirota, former Premier whose bureaucratic Government toppled on Jan. 23 before parliamentary onslaughts against military interference in politics, is regarded as the logical leader for the new political party now being organized to defend the Cabinet of Gen. Senjuro Hayashi. Toyotaro Yuki, Finance Minister, was also being mentioned as a possible choice should Mr. Hirota decline.

Death-Knell of "Hito-No-Michi"

Sounding the death-knell of the 12-year-old Hito-no-Michi (The Way of Man) pseudo-religious cult, the Tokyo Home Office issued orders for its dissolution end of last week. The organization has 130 branches throughout Japan in addition to offices, coupled with so-called tabernacles, in Manchuria and China, including Shanghai.

Divisional Commanders End Conference in Tokyo

The closing session of the annual three-day conference of divisional commanders was held April 8 at the Inspectorate-General of Military Education in Tokyo. Instructions to the officers were given by Gen. Count Hisaichi Terauchi, Inspector-General of Military Education, and Lieut.-Gen. Kiyoshi Katsuki, Director of the Inspectorate-General.

Tokyo Ministers Seek to End Profiteering

Measures designed to end speculation in commodities, which is held responsible for the continuing rise in commodity prices, were formulated by Finance Minister Yuki and Vice-Admiral Godo in Tokyo April 11. First attention is being given by the Government to coal and iron, the prices of which have shown phenomenal increases in recent weeks.

Japan Industrialists Concerned Over State Policies

Serious concern was expressed in Tokyo April 11 by leading industrialists over the Government's alleged efforts to put the national economy on a "quasi-war basis." This anxiety received new impetus with the Government's inclusion of "preparedness for general mobilization" in its eight-point platform.

Privy Council to Pass on Iron Ordinance

The issuance of an emergency Imperial ordinance, exempting pig iron from the import duty, will be discussed by the Privy Council on April 14, at the Palace.

Yonai Talks on Japan to U.S.-Born Japanese

A group of 57 American-born Japanese, who recently arrived in Tokyo from Hawaii, April 6 visited the Navy Office to hear a detailed report on Japan's industrial progress from Admiral Mitsumasa Yonai, Navy Minister.

Tokyo Chosen for Conference of Institute Research in Low Temperatures

The International Institue for Research in Low Temperatures, at Paris, April 9 decided to hold its eighth Congress in Tokyo, in 1940, on the occasion of festivities commemorating the foundation of the Japanese Empire.

Tokyo Bans May Day Parades

For the second successive year, the Police Affairs Bureau of the Tokyo Home Office April 12 banned May Day parades.

Huge Increase in Labor Disputes in Japan

Labor disputes in Japan during the first two months of this year were more than twice as numerous as during January and February, 1936, the Tokyo Home Office announced April 6.

One Japanese Diplomat Throws Elbow-Rest at Another During Drinking Bout

The *Tokyo Asahi* states that at a drinking "dinner" held at the waiting house Yamaguchi in Tokyo Mar. 30, Tokichi Tanaka, ex-Ambassador to Moscow, was the host. Seven or eight guests were present including Torikichi Obata, member of the House of Peers and ex-Ambassador to Berlin, and Toshio Shiratori, Minister to Sweden, and others. One of the incidents was that Mr. Shiratori, after an exchange of a few sharp remarks with Mr. Obata, threw his elbow-rest at Mr. Obata, which, striking Mr. Obata's forehead, broke the skin. The injury was slight. Mr. Obata had gone to the party straight from the Diet. His son, on his own behalf later said: "Father said that he received the injury in an automobile accident."

High Officials Gather at Gen. Chiang's Home Town; Chen Visits Japan on Important Mission

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Many Leaders Visit Fenghua to Attend Chiang Brother's Funeral.**
2. **Wei Tao-min Assumes Office as Executive Yuan Chief Secretary.**
3. **Shao Urges Greatest Determination to Overcome Present Crisis.**
4. **Dr. C. T. Wang Predicts China a World Power After 25 Years.**
5. **Nanking Bans Emigration of Laborers to Foreign Countries.**
6. **Hsu Points Out Ways for Improving Sino-Japanese Relations.**
7. **Nanking Denies Chang Chun's Trip to Japan, Kawagoe Returning.**
8. **Chen Chung-fu Commissioned to Japan on Important Missions.**
9. **Peiping Journalists Arrive in Japan, Visit Leading Papers.**
10. **North Chahar Quiet, Gen. Fu Says "Decisive Battle" Yet to Be Fought.**

A large number of high government officials from different parts of the country are now gathering at Fenghua, native city of General Chiang Kai-shek, to attend the funeral service of General Chiang's late brother Chiang Hsi-hou, which was scheduled to be held on April 15. As indicated in the press, the occasion has provided an opportunity for the various government officials to exchange views with the Generalissimo on the situation. The Japanese papers both in Japan and in China are attaching great importance to the political discussions which are said to be going on there.

Among the more prominent leaders now visiting Fenghua are:

Gen. Chang Chun, Secretary-General of the Central Political Council; T. V. Soong, member of the Standing Committee of the National Economic Council; Shao Li-tse, Chairman of the Central Publicity Council; Gen. Ho Ying-chin, Minister of War; Gen. Chiang Ting-wen, Pacification Commissioner for Fukien; Li Shih-hao, Chairman of the Economic Affairs Committee of the Hopei-Chahar Political Council; Gen. Yu Hsueh-chung, until recently Chairman of Kansu; Dr. Wang Shih-chieh, Minister of Education; Gen. Feng Yu-hsiang, Vice-chairman of the Military Affairs Commission; Chen Kuo-fu, Chairman of Kiangsu; Gen. Wang Shu-chang, Vice-chairman of the Military Advisory Council; Dr. Chu Chia-hua, Chairman of Chekiang; Ma Chao-chun, Mayor of Nanking, Dr. J. Heng Liu, Director of the National Health Administration; Dr. C. T. Wang, Ambassador-designate to the United States; Chang Kia-ngau, Minister of Railways; Vice-Admiral Chen Chi-liang, Vice-Mminister of Navy; and Dr. Wei Tso-ming, acting Secretary-General of the Executive Yuan; Gen. Huang Shao-hsiung, Chairman of Hupeh; Gen. Chiang Tso-pin, Minister of Interior; and many others.

Gen. Chiang Kai-shek's next task is the rehabilitation of Szechuen, Kansu and Shensi, improverished by a succession of natural and man-made calamities, the *Shanghai Mainichi* declared editorially April 5. "Popular support must form the corner-stone of national unification. Such support Gen. Chiang has now. He will, however, lose it if he fails to achieve success in his activities," the daily asserted.

GEN. CHIANG'S SON RETURNING, SAID RECONCILED WITH FATHER

Bringing to a close his 12 years' absence from China and an estrangement from his father which has lasted a full decade, Chiang Ching-kuo, eldest son of Generalissimo Chiang Kai-shek, is due to arrive at Shanghai from Vladivsotock on the s.s. *Sever* on April 17, according to a report in *Shanghai Nichi-Nichi*. Mr. Chiang proceeded to Moscow in 1925 and has since resided continuously in the Soviet Union. In a letter to his mother, Mr. Chiang declares that he is prepared to make peace with his father.

Current reports that an attempt has been made on the life of Chang Hsueh-liang by natives of Chikou was denied by the "Young Marshal" in an interview with his friends April 10. The Young Marshal said that he is getting on fine in the native city of General Chiang Kai-shek.

WEI TAO-MIN ASSUMES OFFICE AS EXECUTIVE YUAN ACTING CHIEF SECRETARY

Wei Tao-min

Dr. Wei Tao-min, a former Minister of Justice and Mayor of Nanking, assumed office April 8 as Acting Secretary-General of the Executive Yuan, in the absence of Dr. Oong Wen-hao, who has gone to London as Secretary-General of the Chinese Delegation to the Coronation.

SHAO URGES GREATEST DETERMINATION TO OVERCOME PRESENT CRISIS

Choosing "Extraordinary and Ordinary" for his subject, Shao Li-tze, Director of the Central Publicity Department, in a radio speech at Nanking April 8, pointed out that during the present emergency period the Chinese people should not neglect their usual duties. He added that no one will doubt for one moment that China must possess the greatest determination in order to overcome the present crisis. He warned the people to be neither afraid or over—enthusiastic. "China's diplomatic policy," Mr. Shao said, "is guided by the desire to keep her territorial and political integrity intact and to seek for co-existence and co-prosperity with other members of the family of nations." Mr. Shao is of the opinion that all misunderstandings and discriminations between China and Japan can be easily swept away if both nations treat each other with plain common sense and not with supersensitive psychology. He added that both nations should realize politics and economics are interrelated and the inseparable nature between economic behavior and sentiments of both peoples. If each country does it own share in removing the present diffficulties, economic rapproachement is not an impossibility.

DR. WANG PREDICTS CHINA A WORLD POWER AFTER 25 YEARS

The prediction that the 25 years from today China will have developed into a great World Power was made by Dr. C. T. Wang, Chinese Ambassador-designate to Washington, in a speech delivered before the members of the American University Club in Shanghai April 10. Choosing the subject "What China will be 1961," Dr. Wang first outlined the political, industrial and intellectual progress which the land has achieved since 1911. Explaining that China has had much success with the experiment in the democratic form of government, in spite of political upheavals and warfare, the speaker pointed with pride to the tremendous development that is being carried on in all sections of the nation. He added, however, that much remains to be done. While China is one of the oldest countries in the world, It is a baby among nations as far as development of its natural resources are concerned, the diplomat stated. In its long history it is natural that there would be many a turning point, but that in 1911 was perhaps the most vital. Continuing, Dr. Wang said: "The most important and vital change which I have witnessed during the last 25 years is the sense of national unity. The Sian incident of 1936 is a clear indication of the feeling of the people for national unity." Referring to the military progress in China, Dr. Wang explained that there has been a great change from the soldiers of 1911 to those of today. He said that when he took part in the Revolution in 1911 he was with the army on the Wuchang side trying to sink a warship belonging to the Imperial Navy. However, his troops fired on the vessel for four days but were unable to sing it. The morale and make-up of the Chinese troops today, Dr. Wang went on to say, is quite different from those of 1911, and he predicted that by 1961 the Chinese Army will be the equal of those in Europe. "But if China becomes strong will she become aggressive and militaristic in 1961?" Dr. Wang queried. He warned that it is often the case that strong nations abuse their power, but emphatically stated that judging from our past history China will never become an aggressor. For over 30 centuries, Dr. Wang added, China has never waged a war of offense. Dr. Wang believes that China's military will develop along the lines of that in the United States, which will never be purposely planned for an offensive war. He stressed the point that China must be able to defend herself.

The Chinese Foreign Office has appointed Chu Chih-chuan as Charge d'Affaires of the Chinese Legation in Havana. Chang Hui-chang, the Chinese Minister to Cuba, has been recalled to Nanking.

Chien Tai, Chinese Minister of Spain, will shortly be appointed Minister to Belgium in place of Chu Ngo-hsiang, it is reported in Nanking.

NANKING PROHIBITS EMIGRATION OF CHINESE LABORERS TO FOREIGN COUNTRIES

Prohibition of Chinese laborers to emigrate to foreign countries from the districts of Yungchia and Chintien in Chekiang has been ordered by the Ministry of Foreign Affairs. The step was taken in response to a petition of the leaders of the two districts owing to the alarming number of Chinese laborers leaving there for Italy during the last few months. Measures to cope with the large-scale exodus of laborers from these two *hsien* to Italy have also been mapped out by the Ministry in connection with the prohibition order. Rumors have been circulated in the two districts to the effect that a certain Italian shipping concern will grant special rates to Chinese laborers traveling on its vessels as Chinese laborersas from this month. It was further stated that a 50 per cent discount on the passage will be given to every 100 persons going to Italy, which will make the one-way fare for each individual to around $200 Chinese money. If the laborers find no work in Italy, the rumors stated, they will be dispatched to Abyssinia by the Italian Government for reclamation work, which will yield a handsome profit.

TRIAL OF SUSPECTS IN ATTEMPTED MURDER OF WANG, SOONG SOON TO BE CONCLUDED

The twelve suspects charged with complicity in the attempted murder of T. V. Soong and Wang Ching-wei and other criminal offenses entered the second day of their trial in the Nanking District Court April 13. Judgment will be delivered on April 19. Categorical denial of the charges preferred against them by Yui Li-kwei, the alleged ringleader, and his horde featured the hearing, which was presided by Judge Kao Wei-chun. In summing up his indictment, Chang Wei-tung, the Prosecutor, declared that there was enough evidence to prove the complicity of all the accused in a secret criminal organization bent on political murders. Nine of them took part in planning the attempted murder on Wang Ching-wei in Nanking in 1935. In demanding a verdict of guilty the Prosecutor asked however that as the nation had been undergoing a period of external aggression and internal strife, due consideration be given to the possibility that the accused might have perpetrated their crime in ignorance of what the Government authorities had been doing, which might merit special clemency.

The tenth anniversary of the Party Purgation Movement in 1927 was observed April 12 by the Central Kuomintang Headquarters at a meeting held in Nanking with Yeh Chu-tsang, Secretary-General, in the chair. Kuomintang leaders started the campaign ten years ago to purge the Party of Communist elements which had been abusing their Party membership to advance their own ends. As a result of the movement, the Wuhan government which was dominated by the Communists was repudiated and a new National Government was established in Nanking on April 18, 1927.

"PURE IMAGINATION," SAYS SPOKESMAN OF KUNG MISSION

Shortly after the Chinese Coronation Mission arrived at Colombo April 13, attention was called by *Reuter's* representative to the reports emanating from Japanese sources at Shanghai which purported to give the six points of a program for Sino-British co-operation which Dr. H. H. Kung was alleged to be taking to London. The alleged points were: a loan of 15 or 20 million sterling to be made by Great Britain to China; increased British investment in the steel plant at Chuchow in Hunan; joint exploitation of the natural resources of Szechwan, Tibet and Sikong; Anglo-Chinese co-operation in the development of South China, Szechwan, Hupeh and Hunan; Sino-British co-operation in the defence of South China, and the supply by Great Britain to China of munitions, including gas-masks. The Mission spokesman laconically characterized this report as "pure imagination."

HSU SHIH-YING POINTS OUT WAYS FOR IMPROVING SINO-JAPANESE RELATIONS

Hsu Shih-ying, Chinese Ambassador to Japan, visited Japanese Ambassador Kawagoe April 9, for an important talk on Sino-Japanese diplomatic problems, according to a report in *Shanghai Mainichi*. The interview lasted for about an hour. China has always agreed to the idea of economic cooperation, on condition that it is based on the principle of mutual equality and benefit, Ambassador Hsu pointed out. Should the North China problem fail to be settled, a perfect Sino-Japanese economic cooperation can never be attained. Finally, Ambassador Hsu announced the intention of the Chinese side of bringing up the North China problem as the main subject for Sino-Japanese negotiations and expected that Ambassador Kawagoe will consider this point with a *bona fide* attitude.

Interviewed by the Japanese correspondents April 10, Mr. Hsu declared that he had decided to resume his post next month. With regard to the readjustment of Sino-Japanese relations, he said that political obstacles should be removed first. Towards Sino-Japanese economic cooperation, this principle should be also applied. "I think that, in the betterment of Sino-Japanese relations, both China and Japan should entertain the following spirit: (1) Mutual tolerance; (2) Mutual confidence; (3) Mutual assistance."

Diplomatic affairs with Japan were discussed by Hsu Shih-ying with Dr. Wang Chung-huu Minister of Foreign Affairs, in an interview April 8. Mr. Hsu will return to his Tokyo post in the middle of May.

NANKING DENIES CHANG CHUN'S TRIP TO JAPAN

A spokesman of the Ministry of Foreign Affairs flatly denied April 11 reports that General Chang Chun, former Minister of Foreign Affairs, will be sent to Japan to conduct negotiations with the Japanese for a readjustment of the relations between China and Japan. The spokesman admitted, however, that General Chang will go abroad to investigate the political and economic conditions in the various countries.

KAWAGOE SAID RETURNING TO JAPAN SOON

In order to prepare for the continuation of negotiations for the readjustment of Sino-Japanese relations, Dr. Wang Chung-hui, Chinese Foreign Minister, granted an interview to Japanese Ambassador, S. Kawagoe, on the 7th inst., exchanging views with him concerning this matter. It is believed likely that formal negotiations will begin in the middle of May next, following the enforcement of complete Sino-British cooperation, said *Shanghai Nippo* April 9. Mr. Kawagoe is reported to be returning to Tokyo shortly to receive instructions.

KODAMA MIGHT REPLACE KAWAGOE AS AMBASSADOR TO CHINA

According to the *Hochi Shimbun* April 11, Naotake Sato, Minister of Foreign Affairs, is contemplating the replacing of Shigeru Kawagoe by Kenji Kodama, noted financier and head of the recent Japanese Economic Mission to China, as Japanese Ambassador to Nanking. The appointment of economic experts as diplomatic envoys to foreign capitals, it was revealed, was strongly recommended by Toyotaro Yuki, Minitser of Finance. It was highly questionable, however, that such a departure from Japan's diplomatic traditions would be approved by the military authorities.

KUWAGIMA SAYS HIROTA'S THREE PRINCIPLES OUT OF DATE

Mr. Kuwagima, Japanese Minister to Holland and the person responsible for the drafting of Hirota's "three principles," interviewed by the *Lib Pao* April 6, said:

"As a result of the change in the conditions in Japan and China, the Japanese authorities should not adhere to the three points laid down by Mr. Hirota for the readjustment of Sino-Japanese relations. They should devise new measures to readjust the relations between the two countries. It is my personal opinion that the time for the resumption of Sino-Japanese negotiations is not yet ripe. The prerequisite for the resumption of such negotiations is mutual confidence, which China and Japan should place in each other. Both China and Japan should send special envoys to investigate the actual conditions of both countries. The relations between China and Japan will naturally take a turn for the better, after they both have a clear recognition of each other."

JAPAN'S CHINA POLICY IMMUTABLE, SAYS "NIPPO"

Whatever Government may come into power in Tokyo, Japan's policy in China will remain unchanged, the *Shanghai Nippo* said editorially April 8. Japan's policy in this country, the journal declared, is founded on a desire to make North China the base of Sino-Japanese economic co-operation, later extending it into other parts of the country. "Failing to understand this, the Chinese authorities seek to put an end to Japanese influence in North China through co-operation with Soviet Russia. With the diplomatic and military situation in North China being so complex, any att empts at Sino-Soviet economic understanding in the region might have unexpected repercussions," the journal asserted. All Soviet moves in the north, the daily pointed out, will be accompanied by the strengthening of the Communist movement, while Japan is known to be bitterly opposed to Communism. China, the daily declared, is continuing its policy of playing one power against another. This policy, the *Nippo* said, is, "needless to say, doomed to failure." The current visit of Dmitrii V. Bogomoloff, Soviet Ambassador to China, to Nanking appears to be, in the *Nippo's* opinion, for the purpose of concluding a commercial pact. "Soviet Russia," the daily asserted, "has always cleverly utilized economic relations as a means for attaining political ends."

TOKYO TO STATION FINANCIAL COMMISSIONER IN SHANGHAI

Decision to station a financial commissioner in Shanghai to aid in achieving Sino-Japanese economic co-operation was reached April 7 by the Finance Ministry. The appointment of a new official this summer will re-establish the commissioner's office, closed two years ago.

A readjustment of Sino-Japanese relations forms the most important problem confronting Japan's financial circles today, Finance Minister Toyotaro Yuki declared in *Osaka* April 7. "Until our relations with China are settled, there can be no expansion in Japan's productive power nor in her export trade. The future of our national economy can be said to rest on the solution of this question. It is true that China has been responsible for some of the setbacks received by our relations in the past. Nevertheless, we must open the way for a readjustment of Sino-Japanese relations through mutual understanding."

The keynote in the readjustment of Sino-Japanese relations lies in the attitude of Japan rather than in that of China. Professed Japanese sincerity toward the principle of mutual benefit, mutual confidence and mutual assistance in the cementing of ties between the two countries must be demontrated by facts and not by mere words, declared the *Shun Pao* April 12 in an editorial commenting on the much-heralded readjustment of Sino-Japanese relations.

The "grave nature" of the so-called "China problem" and the tense situation existing between Japan and Soviet Russia were emphasized in a speech made April 6 by Gen. Gen Sugiyama, War Minister, at a conference of divisional commanders. The replenishment of national defense, he declared, is designed to cope with the international situation, and especially with Soviet Russia's "vigorous policy" in the Far East. The Army's program, he said, will prevent war and safeguard lasting peace in East Asia by maintaining an equilibrium in armaments and successfully realizing joint national defense of Japan and Manchukuo. Gen. Sugiyama urged the divisional commanders to co-operate in the enforcement of stricter discipline and consummation of solidarity in Army ranks.

PEIPING JOURNALISTS ARRIVE IN JAPAN, VISITING LEADING NEWSPAPERS

Twelve Peiping journalists, led by Chin Ta-chih, owner of the *Liu Sheng Pao*, passed through Shimonoseki April 8 en route to Osaka, where they will remain for three days exchanging views with leading businessmen. The Peiping newspapermen visited April 9 the offices of major dailies and news agencies in Osaka. Calls were made at the offices of the *Osaka Mainichi*; the *Osaka Asahi*, and the *Domei News Agency*. Later, the Chinese journalists inspected the Press Exposition and the Osaka Castle. Early next week, the group will proceed to Tokyo, where it will meet with Premier Gen. Senjuro Hayashi, Foreign Minister Naotake Sato, and Gen. Gen Sugiyama, War Minister. After visiting Nikko, Hakone, Kyoto and Nara, the party will leave for North China on April 26, by way of Fusan, Korea, and Manchuria.

CHEN CHUNG-FU GOES TO JAPAN ON IMPORTANT MISSION

Commissioned by General Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Council, to exchange views with Japanese leaders, Chen Chung-fu, former Chairman of the Foreign Affairs Committee of the Council, left for Japan April 14. Great significance is attached to the visit of Japan by Mr. Chen, as he will confer with Japanese military and political leaders regarding the abolition of the bogus East Hopei regime.

Central News reports that Gen. Chang Chi-chung, Mayor of Tientsin, will head the investigation party which is now being organized by the Hopei and Chahar Political Council to visit Japan. The party will set out around April 20 and will be away for three weeks.

Japan has grasped a better understanding of China since the amicable settlement of the Sian revolt last December, declared Li Shih-hao, Chairman of the Economic Affairs Committee of the Hopei-Chahar Political Council, in an interview with the *Central News Agency* upon his arrival in Shanghai from Peiping April 12. This new conception of China, Mr. Li said, has been manifested not only among those at the helm of affairs in Tokyo but also among the Japanese military authorities stationed in this country. The recent purchase by Japan of 100,000 tons of salt from Chinese merchants at Changlu, according to Mr. Li, was transacted in accordance with past precedent.

Thirty officials of the puppet state of East Hopei will be sent to Japan by Yin Ju-keng, notorious leader of the bogus regime on April 19, reported *Shun Pao* April 9.

Pamphlets denouncing the traitors are being distributed in the streets in Tungchow, seat of the bogus East Hopei regime, according to a *Ta Kung Pao* report. More than 10 students were arrested April 12 in the city in connection with these pamphlets.

MORE JAPANESE TROOPS TO BE SENT TO NORTH CHINA

Li Pao reports that the Japanese authorities have decided to increase the number of Japanese troops in North China by two additional regiments. These new troops are expected to arrive from Japan in May.

General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, inspected the troops of General Shih Yu-san, Commander of Peace Preservation for North Hopei, April 7.

An application for registration with the Ministries of Industry and Communications has been sent to the Tientsin Municipal Government by the Hui Tung Aviation Corporation, in accordance with the Chinese Corporation Law.

Following the example of Japanese Banks in Shanghai, the Banks of Taiwan, Ltd. in Amoy has turned over its silver hoarding to the local branch of the Central Bank. The white metal, amounting to $229,000, will shortly be shipped to the head office of the Central Bank in Shanghai.

Fourteen Chinese naval officers spent two hours April 12 visiting the Japanese 10,000-ton cruiser *Myoko* now anchored in the Whangpoo, according to *Domei*.

Fan Shao-chang, manager of the Kaoyi branch of the Hopei Bank, was executed by shotting April 12 on his conviction by the Pacification Commissioner's Headquarters on a charge of embezzling $30,000. Fan is alleged to have made out drafts on Peiping banks totaling that sum. Fan was arrested in Shanghai.

SHANTUNG SUDDENLY CHANGES ATTITUDE TOWARDS JAPANESE

Commenting on the latest condition in North China, the *Ta Wan Pao*, in an editorial on April 5, stated:—

"Particular attention must be given to the change of attitude of the Shantung Provincial authorities toward Japan. Japanese naval units, who visited Tsingtao last year, were accorded the most cordial welcome. This year, there was a strange coincidence. It should be noted that, on the eve of the arrival of the Japanese marines in Tsingtao, General Han Fu-chu, Chairman of Shantung, suddenly left Tsinan for a visit to Hangchow. It is obvious that Shantung has entirely changed its attitude. The people in that Province are now standing firm in their national resistance campaign."

NORTH CHAHAR QUIET, FU SAYS "DECISIVE BATTLE" YET TO BE FOUGHT

There is no foundation for the reports current in Shanghai of an impending attack on Suiyuan, the latest information received at Peiping from Chahar indicates. North Chahar is reported to be very quiet, with no troop movements of any consequence proceeding. Garrisons of "Manchukuo" troops are occupying Changpei and Chapser, but practically no mercenaries are available for a further attack on Suiyuan, all having gone over to the Chinese forces last November. Prince Teh's force at present does not exceed 1,500 Mongols. Suiyuan territory is strongly held by Chinese garrisons along the railway and at Sharamurn and Pailingmiao.

A strongly-worded statement was made by General Fu Tso-yi, Chairman of Suiyuan, to the vernacular press in Peiping April 7 concerning the present situation in Suiyuan. General Fu declared that the victory, which the Suiyuan forces have scored against the irregulars, means nothing, pointing out that he will have a decisive battle with the enemy. The Suiyuan Governor added that there are at present no reactionary forces in Suiyuan. The people have joined together and are capable to defend themselves, he said.

General Fu Tso-yi issued a formal announcement Mar. 31, highly praising the bravery of a truck driver and a peasant during the Suiyuan War last winter. The announcement reads:

"There are two persons in the Province whom every one of you should know. One of them is a truck driver in our Army by the name of Chang Yen-ching. He participated in our onslaught on Pailingmiao. On the morning of the 24th of November, he started a dash into the enemy's lines. He was wounded and his truck was destroyed. In spite of this, he took over an enemy truck and drove right into the enemy's lines, thus leading to our victory at Pailingmiao.

"The other person is Chang Tse-ching. He is a farmer. He was offered a sum of $1,000 to extricate a leading Japanese officer, who had lost his way. Mr. Chang pretended to accept the Japanese offer, but he did not guide the Japanese back to Chahar. He brought him to our Army Headquarters.

"It is hoped that everyone of our citizens, will follow the examples of these two gentlemen."

Gen. Yen Hsi-shan, Pacification Commissioner for Shansi and Suiyuan, has organized a "Shansi People's Political Supervisory Council" in order to "stimulate interest of the people in the conduct of public functionaries, lay down the foundation of democracy, and develop the democratic spirit." The work of the council is fourfold: impeachment, criticism, drumbeating, and airing of grievances. Special attention is devoted to the suppression of traitors, and those found betraying the interests of the state are threatened with the severest punishment. Four kinds of memberships are offered by the council, namely, those ready to sacrifice their lives, those desirous of upholding freedom, those willing to give financial support, and those who contribute their manual services.

HIGH HAN, MONGOLIAN AND TIBETAN OFFICIALS UNITED AT NANKING FUNCTION

A reunion of Han, Mongolian and Tibetan officials was held at Nanking April 9 at a reception given by General Wu Chung-hsin, Chairman of the Mongolian and Tibetan Affairs Commission, in honour of the Mongolian and Tibetan dignitaries now visiting the Capital. Among those present were An-Chin Hutuketu, "Living Buddha" of Tibet and Tibetan member of the Central Supervisory Committee; Prince Sha-Ko-Tu-Erh-Cha-Pu, President of the Yeghe Jo (Ordos) League and concurrently Chairman of the Local Autonomy Political Affairs Committee of the various Mongolian Leagues and Banners in Suiyuan Province; Princes O-Chi-Erh-Hu-Ya-Ko-Tu and Kang-Ta-To-Erh-Chi, Jassaka, respectively of the Dzasak and Dalat Banners of the Yeghe Jo (Ordos) League.

Mongolian affairs in Suiyuan formed the main topic of discussions between Wang Ching-wei, Chairman of the Central Political Council, and Prince Sha, Chairman of the Suiyuan Mongolian Political Council, April 12. Mr. Wang called on Prince Sha at 10 o'clock in the morning. Details of their interview were not divulged, but it was learned that prevailing conditions in Suiyuan as relating to the Mongols as well as future plans were touched upon.

SHENSI CONDITIONS RETURN TO NORMAL, SAYS GEN. HO

Conditions in Shensi have now returned to normal and all questions relating to the northern part of the province have also been completely settled. General Ho Chu-kuo, Commander of the Cavalry forces under General Chang Hsueh-liang, told a representative of the *Central News Agency* at Shanghai April 12. General Ho who flew to Shanghai from Sian April 12, left for Ningpo April 13 to attend the funeral of the late Chiang Shih-hou, brother of General Chiang Kai-shek, President of the Executive Yuan. His troops, according to General Ho, are now stationed at points west of Hsienyang in Shensi, and no definite order has yet been received from the central military authorities as to where they will be transferred in the future. The transfer to Anhwei of the troops under General Yu Hsueh-chung, former Chairman of Kansu, he added, is expected to be completed around the middle of this month.

While plans for the settlement of the Northwest problem are still under the careful consideration of the Central Government, efforts are now being made by General Ku Chu-tung, Nanking Commander in Sian, to prevent a possible clash between the Nanking officials and the Northwest commanders in Sian. There were discovered in Li Shan, the place where General Chiang Kai-shek was attacked by the Northeastern units, such slogans as "The rebels' spot" and "Within the mountain of the wolves." Realizing that this will likely cause misunderstanding, General Ku has ordered the removal of these slogans.

GEN. HU TSUNG-NAN TO GARRISON HSUCHOW

Gen. Hu Tsung-nan, Commander of the First Army, whose troops figured prominently early this year by first entering Shensi province during the recent Sian coup, has been assigned garrison duties in Hsuchow.

CHU SHAO-LIANG STILL DECLINES KANSU CHAIRMAN POST

Gen. Chu Shao-liang, who was recently appointed new Chairman of Kansu to succeed General Yu Hsueh-chung, still declines to assume his new post.

Another batch of refugees, membering 300 persons and consisting mostly of families of North-eastern officers in Kansu and Shensi, arrived at Peiping from Sian by special train April 9. The first group, comprising about 400 children and women, arrived on April 7.

2,000 COMMUNISTS REPORTED TO BE DISBANDED

A total of 2,000 Communists were recently transferred to Lanchow from the Hosi districts in Shensi. The Communists will be disbanded, according to *Sin Wen Pao*.

Commenting on the indictment of the seven leaders of the National Salvation Association now in custody in Soochow, the *Shanghai Manichi* said April 12 that the indictment is not consistent with the National Government's policy towards the Communists and their allies. The Court's action, the paper charged, was only "a means to cheat the public" and the verdict that will be rendered in this case "can be easily foreseen." The *Mainichi* in an earlier editorial April 8 said that the trial of the seven salvation workers would be only a comedy.

CONDITIONS IN SIKONG BETTER, LANGUAGE DIFFICULTY REMAINS A HINDRANCE

Conditions are becoming better in Sikong and several districts in the northern part of the province have already been recovered from the Reds. Steps are being taken to rehabilitate the recovered areas, according to Gen. Liu Wen-hui, who is now visiting Changtu.

Language difficulty between the Chinese and the natives in Sikong still remains the greatest hindrance to the economic and political reconstruction in that province, declared Gen. Liu Wen-hui, Chairman of the Organizing Commission of Sikong Provincial Government. Gen. Liu is in Chengtu to see Gen. Liu Hsiang, Chairman of the Szechwan Provincial Government. The visiting leader pledged his whole-hearted support to the Central Government and added that measures will be sought to develop the rich natural resources of that province.

That the Tibetan Army is now preparing to launch a new attack on Sikong was admitted by General Liu Wen-hui in an interview with the *Ta Kung Pao* in Chengtu April 8. General Liu declared that he has received an urgent message from Sikong, informing him of the activities of the Tibetan troops.

AN-CHIN HUTUKETU SAYS TIBET EAGER FOR RETURN OF PANCHEN LAMA

In view of the poverty-stricken condition of Sikong province and the need for urgent relief, the Executive Yuan, at its meeting April 12, decided to remit a monthly subsidy of $10,000 to the new province during the three months of April, May and June so as to assist in tiding over its difficulties.

An-Chin Hutuketu, Tibetan member of the C.S.C., arrived at Nanking April 7 from Lhassa. Interviewed, An-Chin Hutuketu said, "I have made two visits to Tibet as the representative of the Panchen Lama, to promote closer political, religious, and cultural relations between Tibet and China Proper, and to make known to the Tibetan people the solicitude of the Central Government for their welfare. The results of my mission have been very satisfactory. The people of Tibet are looking forward eagerly to the early return of the Panchen Lama in order that he may take charge of religious affairs. Numerous envoys have been despatched eastwards to welcome him. However, wherever the Panchen Lama arrived, the local lamas and people, besides welcoming him, pressed him to officiate at religious services; hence his journey back to Tibet has been delayed. Moreover, due to the lack of communication facilities and the severe weather, it is impossible to continue the journey after autumn. Consequently, the Panchen Lama is now still on the border of Sikong and Chinghai (Kokonor). I have received repeated telegraphic requests from the people in the inland districts to propagate the Buddhist faith. A year ago, I was entrusted by the Panchen Lama with the administration of the Yellow Monastery (*Huang Sze*) in Peiping. This monastery having fallen into decay and the religious work being on the decline, my presence there is necessary. I have therefore specially secured the permission of the Panchen Lama to go North. After submitting a report to the Government on the situation in Tibet, I will immediately proceed to Peiping. The duration of my stay there will depend on circumstances."

Tanchu Hutuketu of the Teh Fan Tribe in the mountainous region of West Kansu, whose official seal is still the one granted by Emperor Shun Chih of the Ching Dynasty, was given a new title as Fu-chiao-Pu-kwei Pontifi by the Executive Yuan at its meeting April 12.

NATIONAL GOVERNMENT TO BE 10 YEARS OLD APRIL 18

The National Government in Nanking will be ten years old April 18. To commemorate the occasion, Lin Sen, Chairman of the National Government, will be back in the capital from a tour to the Southwest in time to preside over the special memorial service on that day in the National Government Headquerters. High Government officials will gather at a special lunch party at noon, which will be followed by an entertainment program in the auditorium of the National Central University.

WU TE-CHEN GETS WARM WELCOME AT HONGKONG

Gen. Wu Te-chen, newly appointed Chairman of Kwangtung, was accorded a warm reception by a crowd of 1,000 persons including a party of officials from Canton and a representative of the Hongkong Governor, when he arrived at Kowloon April 12 from Shanghai aboard the *s.s. President Coolidge*. In a statement issued to the press, Gen. Wu declared that he had been away from Kwangtung for several years and was glad to be transferred to Canton to serve the people in the southern province. He also expressed deep gratification over the improved relations between Canton and Hongkong adding that this was an indication of the increased friendship between China and Great Britain.

A public funeral for the late Gen. Huang Mu-sung, former Chairman of Kwangtung, who died in Canton on Mar. 20, will be held on April 19.

A petition was submitted to the Executive Yuan by General Huang Hsu-chu, Chairman of Kwangsi, asking for a sum of $500,000 for famine relief in Kwangsi.

A warm welcome was extended by Kwangsi officials and populace to Lin Sen, Chairman of the National Government, who arrived at Kweilin, Capital of Kwangsi, April 7 from Hunan, accompanied by Lei Yin, Kwangsi Civil Affairs Commissioner. A large gathering of high officials led by Gen. Pai Chung-hsi, Deputy Commander-in-Chief of the Fifth Route Army, and Gen. Huang Hsu-chu, Chairman of Kwangsi, greeted Mr. Lin at Huangshaoho on the Kwangsi-Hunan border.

A review of troops of the newly reorganized Fifth Route Army was held at Kweilin, provincial capital of Kwangsi, April 8, in honor of Lin Sen, Chairman of the National Government, who took the salute.

All Changsha turned out to welcome Chairman Lin Sen April 12 when he arrived there by motor-car at noon from Kwangsi via Hengshan in southern Hunan. He was accompanied by General Ho Chien, Chairman of Hunan, who had gone to Hengshan specially to escort the President to Changsha.

HUNAN MIAO TRIBESMEN STAGE ANTI-GOVERNMENT UPRISING

The districts of Yungsui, Paotsin, Fenghuang, Luchi and Kancheng in Hunan have now been thrown into a stage of terror, as an anti-Nanking movement has been started by a large number of Miao tribesmen in that area as a protest against the heavy taxation imposed by the Provincial authorities, reported *China Times* April 7. The movement was said to have been instigated by malcontents. The trouble started in Yungsui where the tribesmen, well equipped with up-to-date rifles, launched an attack on the Provincial troops. They killed the magistrate and drove out all the government staffs. Upon receipt of the report, one brigade of the 62nd Division under General Chu Tao-liu was rushed to Yungsui to curb the riot. The tribesmen are said to have now submitted several demands to the Provincial Army.

Hongkong to Spend $120,000,000 on New Defence Works

BY THE REVIEW'S SOUTH CHINA CORRESPONDENT

OF momentous interest to South China is the announcement made by a special writer of the *Hongkong Telegraph* that the British Government is contemplating spending $120,000,000 for new fortresses and other defence works in Hongkong for a five-year scheme. The *Telegraph* writer says that this huge expenditure may be greatly exceeded. It will almost certainly not be less unless Japan is willing to consider a new Pacific Pact, similar to the Washington Treaty which she abrogated.

If a new pact is not brought into being Britain will make Hongkong a strong fortress, second in importance in the Pacific only to Singapore. The refortication scheme to be introduced for Hongkong will exceed anything carried out in the past.

Regarding the building of forts it has been pointed out that in addition to the new fortifications at Stanley, Hongkong, Great Britain has decided to complete, before the end of 1937, two new forts. Work on these new forts will commence almost immediately. They will be manned by the Regular Army as soon as they are completed.

In addition, the military authorities anticipate that anti-aircraft defences, particularly guns and searchlights, will be doubled before the end of 1938. A complete defensive campaign has been mapped out by the military authorities. It is understood that a report has been sent to the War Office in England, outlining the steps that are necessary to make Hongkong completely impregnable. New fortifications and increase in personnel for the Garrison have already been sanctioned by the Home authorities over a two-year period, but, in the event of further steps being necessary this period may be extended to five years. By the end of 1939, Hongkong's garrison will probably have been increased to six battalions.

Much Depends on Japan

It is important to note that, although Japan's abrogation of the Washington Treaty became effective on December 31, 1936, Great Britain has so far made no effort to increase defensive armaments in those parts of the Far East under which the status quo was maintained.

In view, however, of the definite evidence that Japan is basing a large force, both land and air, in Formosa, the status quo insofar as Hongkong is concerned will have to be seriously considered. There is still a slight hope that Japan will reconsider its decision regarding re-fortification, and thus prevent an armament race in the Pacific. If however, Japan will persists in forcing an armament race, Britain will be forced to make Hongkong impregnable as a protective measure.

Britain does not intend to fortify Hongkong as a protection against aggression, although the importance of Hongkong as a trade centre is fully recognized. The primary object of the mooted expenditure on defence of this Colony is because of its position with regard to Singapore.

Singapore is vital to British interests in the Pacific, and Singapore is safe so long as a strongly fortified Hongkong is still functioning. It is emphasized also that refortification of Hongkong is purely defensive both from the point of view of Singapore and Hongkong.

British Plan Large Air Force

A large air force will definitely be based in Hongkong, in which connection reference was made in a previous article. Meanwhile a equally efficient air force will be stationed in Singapore. The air defence plan recommended by Major-General A.W. Bartholomew the G.O.C., will provide for a ring of protection that will be as perfect as is possible. It will include, in addition to a network of anti-aircraft batteries, the concentration in Hongkong of several squadrons of Royal Air Force bombers and pursuit planes. Anti-aircraft defences will be so disposed as to guard, to the best of human ability, the whole of Hongkong including its opposite mainland, generally known as Kowloon and the New Territories.

That the Hongkong Volunteer Defence Corps is to be asked to play an important part in the new defence scheme for this British Colony is shown by recent statements made by His Excellency Major-General A. W. Bartholomew, General Officer commanding the British Troops in China. Significently he said that Hongkong's Volunteer Defence Corps is not only an integral part of the defence system of Hongkong but in the case of the Island, a first line of defence. He pointed out that the Volunteers are practically responsible, in time of emergency, for the defence of Hongkong's beaches. He said:

"If Hongkong is ever invaded, the Volunteers will be required to hold back the enemy for as long as possible, so that the main concentrations of troops can be rushed to strategic points to defend integral positions.

"The recent combined military operations showed that Hongkong relies to an extreme degree on its Volunteers Defence Corps. During the manoevures certain units of the Volunteers also manned the forts and the Lewis Gun anti-aircraft emplacements. In both instances they showed that they are invaluable.

"Last month Hongkong underwent a mock war, which affected the civilian populace to only a slight degree, but some day, however, this Colony may find itself in the role of a defender against actual aggression. If that time ever comes, the military plans for this Colony envisage the Hongkong Volunteer Defence Corps as one of the strong links in the chain of defence that will encircle Hongkong. Without the assistance of the Volunteers we would have completely to reorganise our plans."

Need for More Volunteers

Making an urgent appeal for more Britons to enlist as Volunteers the General said that the position as regards the strength of the Volunteers is still none too satisfactory. However, he pointed out that recruiting was considerably better than it was twelve months ago, especially as regards the British sections. "However, we still want more Britons and to them I make an urgent appeal," said the General.

Continuing he said: "The patriotic spirit of British people in Hongkong is much more manifest this year, and coupled with the interest displayed in the Volunteer movement by His Excellency the Governor, this has given the military authorities cause for less worry than has been the case in the past.

"At the same time, I would like to take this opportunity of urging all Britons in Hongkong who have not yet associated themselves with the Volunteer movement to ponder deeply on the significance of the Hongkong defence plan. Under certain circumstances this Colony must be regarded as the defence outpost for the gigantic naval base at Singapore.

British Interests in the Pacific

"Because of geographical factors Singapore may be regarded as impregnable so long as Hongkong remains in British hands. The occasion may arise, therefore, when the few Britons in Hongkong may have in their hands the destiny of the British Empire in the Pacific.

"I need not assure you that the question of compulsory military service has never arisen with regard to Hongkong, and I am perfectly sure that it never will arise. Naturally, in the case of an emergency, the entire British population would be divided for the purpose of maintaining essential services. But we must rely for actual defence against aggression upon the voluntary movement as represented to-day by the Hongkong Volunteer Defence Corps and the Hongkong Naval Volunteer Force.

"Soon Hongkong will be considerably increasing its anti-aircraft defences, the Lewis Gun portion of which will be manned by Volunteers. As our defences grow, so will our requirements for trained Volunteers," concluded the statement by Major-General A.W. Bartholomew, which he made to the press.

Position of Kwangtung

In line with the refortification of Hongkong it is interesting to note that authorities of Kwangtung are redoubling their efforts to turn out more young and well trained Cantonese soldiers in the two military collegues of Canton, the Yintong Military Academy and the Central Military College. Certain areas around Canton have been marked out as strategic points in which no citizens are permitted to enter. That the military commanders are now working on a scheme to make these forts around Canton as impregnable as possible there can be the least doubt.

Realizing the importance of producing more well trained soldiers for services in China the Nanking Government has appointed one of its most efficient officers, General Chen Cheng, concurrently Vice-Minister of War, as Principal of the Yintong Military Academy. The Vice-Minister of War has been in Canton for many days and last week he inspected important defence works in northern Kwangtung and addressed the soldiers at Shiukwan and Nanhung, stations on the newly finished Canton-Hankow Railway.

His travel companion during the inspection tour was General Lo Cho-ying, the military representative of General Chiang Kai-shek and superintendent of the National Generalissimo's Whampoa headquarters.

Meanwhile in Kwangsi a strong trend of militarism and patriotism has spread through the province. Government propaganda squads have of late been covering the western districts of Kwangsi stirring up the hearts of the people to greater loyalty and patriotism. These squads are equipped with movie projectors flashing war scenes on the screen, loud speakers which are used to address great crowds, a bit of drama and then some foreign music to lend a touch of amusement.

At the time of writing Lin Sen, President of the National Government, is on his way to Kwangsi from Canton via Hangchow, southern Hunan, and his presence is expected to greatly strengthen the smooth relations between the Nanking and Kwangsi governments. Generals Li Tsung-jen and Pai Tsung-hsi will meet him on the border.

April 7, 1937.

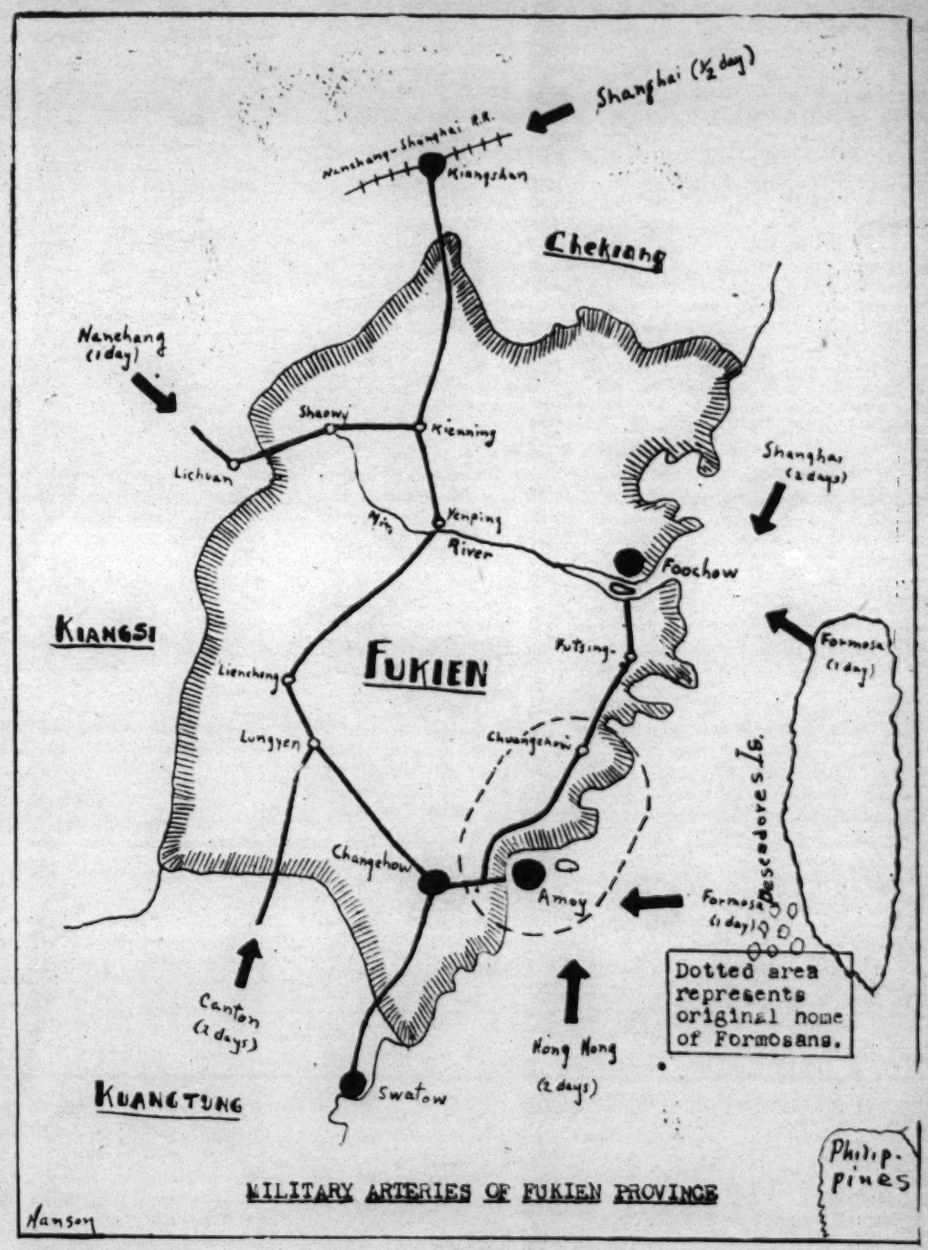
Reconstruction of Fukien

BY RICHARD T. VIGUERS

ECONOMIC reconstruction and planning is the order of the day throughout China and this is especially true in the province of Fukien. However, here there is much more than mere planning, and under the direction of a progressive governor and with the able assistance of a few public-minded citizens, work is rapidly going forward. And what is even more unique, most of the planning is being done locally. For example, Amoy, which was once listed in the "Encyclopaedia Britannica" as the dirtiest city in the world, now appears to be among the cleanest cities in China and boasts a water system which is second to none in the Middle Kingdom, and compares favorably with the water systems of the main cities of the world. This has been done through local initiative and private funds.

Road construction is the basis and groundwork of the reconstruction in Fukien as elsewhere. Special studies are being made of marginal and waste lands, which will result in the farmers being able to greatly improve their economic position. In the industrial field water power projects are being studied, and plans for the exploitation of mines developed. A new bridge is being considered, which will connect the island of Amoy with the mainland. Construction work is cheaper and more easily conducted in Fukien because all the materials except cement are locally available. Labor is adequate, trained engineers are ready to undertake the work, iron and coal in sufficient quantities can be secured, and stone and sand are to be had for the taking in almost any part of the province.

These projects have a special significance because of the funds which are believed to be available from over-seas Chinese. Anxious always to return to the land of their ancestors, many Chinese have been looking forward to returning to Fukien, only to be prevented by the lack of business opportunities and the widespread unrest in the province. With the returning prosperity in the South Seas, there is an increasingly larger amount of funds available for investment in Fukien. Local planners believe that these sums will begin to flow into the province when the further reconstruction projects are actually begun. This source of capital seems to be really available, and several experts who have gone fully into the matter are united in their opinions that over-sea Chinese capital can be secured. If so, it will create an entirely different situation than that which exists in practically all other parts of China, and will overcome one of the main stumbling blocks.



Roads and Bridges

With the excellent harbor of Amoy, the main problem is the matter of providing adequate transportation inland. The general road construction program of the province has dealt with this, and improved facilities are being pushed. The best known of these roads is the excellent one running along the coast from Amoy to Foochow. But starting from Amoy, you can also go west by motor road to Changchow, where the road running south to Swatow splits off. From Changchow the road goes north-west to Lungyen, from which place another road runs south toward Canton. Turning north from Lungyen through the western part of the province, the main road goes to Liencheng, Yenping, (where you can take the boat straight down the Min River to Foochow) and then to Kienning. At Kienning the road divides, one branch going west to Nanchang by way of Shaowu and Lichuan in Kiangsi, the other branch continuing north going through Pucheng and connecting with the Nanchang-Shanghai Railway, a short distance over the boarder into Chekiang.

This system of highways which has been developed since the 1933 difficulties is of both military and economic significance. No longer is Fukien an isolated state and no longer do all goods for the interior have to be shipped in through Amoy and Foochow. Fukien is now connected with Chekiang on the north, Kiangsi on the west, and Kwangtung on the south.

Since Amoy is an island the main problem of developing the harbor is the inconvenience of the transshipment of goods going into the interior. To remedy this a new bridge has been planned and proposed by Homer C. Ling, chief engineer and builder of the local water works and one of the prime movers behind the development of the Amoy section.

The bridge as planned at the present time will go from K'ao Ch'i on the Amoy side to Chi Mei on the mainland. This crossing place is about seven miles northwest of Amoy city. The bridge and the approaches together will be a mile and a quarter long, although engineering surveys report that the bridge itself need only be 300 to 400 feet long. The cost is estimated as being $700,000, which is very low because the stone and sand can be secured on the site.

The construction of this bridge is to be undertaken by a private company with privately subscribed capital. From incomplete calculations as to the amount of traffic which the bridge is expected to carry, it is suggested that a toll of 50 cents be charged for all vehicles. From this source of revenue, the maintenance costs will be paid and the capital gradually retired. When the private loans have been completely paid off, the bridge will be turned over to the government and will become a free bridge.

Development of Water Power

The next step in the plan is the development of water power. From engineering surveys already made it has been estimated that 100,000 horse power could be obtained from the North, or "Nine Dragon," River above Amoy, at the time of minimum flow and without any storage. Just as President Roosevelt has been attempting to develop water power and the wide-spread use of electricty in the relatively poor area of the Tennessee Valley in the United States, so this group is planning to develop the Amoy section. But while the United States can draw upon government revenue for the capital, Aomy plans to draw upon its over-seas Chinese.

The purposes of this development of water power on the North River are four-fold. First, it is to give fuel and save the trees of Fukien. Although Fukien has a tremendous timber supply, and in some few sections the trees are being scientifically cut so that new timber will grow, it is a tremendous waste to use wood for fuel if electric power can be obtained as cheaply. Furthermore, it is important to retain the forests to prevent land erosion. At best there is relatively little soil covering the rocks of Fukien, and if the forests should be destroyed, then soil eroison would set in and wash the hills bare of soil and fill the valleys with rocks.

The second purpose is to encourage the use of electricty for light as well as power, all over the province. It is expected that by the use of water power, better and cheaper light can be produced than by the old oil lamps.

The third important effect of this project would be to improve water navigation at the head of the North River. At the present time the water is too low for navigation during six months of the year, and with the control of the flow of water, it would decidedly improve the situation.

Finally, and perhaps the most important result would be the development of small industries such as rice mills, saw mills, and brick factories, which can be supplied with cheap electric power.

Development of Mines

The development of mines is another project, but it does not seem to offer such a promising future. Perhaps the most important iron deposit is at P'an Tien near Ngan-k'i. Some time ago the Chinese government invited Japanese experts connected with the South Manchurian Railway to make a careful investigation of this mine. Bringing their own equipment, and under guard of Chinese troops, extensive drillings were made, and a complet survey conducted by the engineers, although they were considerably harried by bandits.

Their report states that the estimated deposit of this mine were 80,000,000 tons of iron, which would be about one-fifth of China's total iron reserves and about equal to all deposits in Japan proper. It was further stated that the iron would cost about $4.00 a ton. However, the stumbling block came in the section of the report which declared that at least $20,000,000 was needed for the factory, railway, equipment, etc. in order to exploit the mine. Neither the province, nor the over-seas Chinese are likely to raise any such sum as this.

The coal mines in Fukien furnish anthracite, which is not adaptable to most industrial purposes because it cannot be made into coking coal. And further-more, laboratory tests of this coal have shown that it contains an unusually large amount of sulphur, which makes it even less desirable.

Rural Reconstruction

Realizing that agriculture is the important basis of all reconstruction, this field has not been neglected. With government aid, an especially helpful piece of work is being done at Fukien Christian University in its experimental stations and in the villages. At the request of the governor a survey has just been completed in the section between Amoy and Foochow along the coast. The government and university experts which made this study have not published their final report. However, they reported that in the marginal land which covered most of the area the farmers were living on a bare subsistence level, which could easily be improved through the use of modern agricultural methods in seed selection, improved stock, etc. Waste land was found to be of four types. The first was where the land was too salty; second, land idle because of village feuds; third, land barren because of soil erosion, largely due to lack of trees; fourth, land not being cultivated because of bandits and retreating armies; one place that had formerly supported 1,000 people was reduced to a population of 100.

Past Record

Because so much of the planning in the last few years has never got beyond newspaper reports, one naturally looks at these projects with extreme skepticism. However, the record of what has been done in the past leads to the coclusion that this sort of planning in Fukien will really lead to actual results.

We might take as a particular example the construction of the water works in Amoy. Homer C. Ling, who is the man behind most of these new projects, also built the water works. Certainly none of the present plans seem more difficult to complete than the water-works which has became an accomplished fact.

With a technical training from one of the best foreign engineering schools and experience in conservancy work in the Yellow River Valley, Mr. Ling returned to his native city of of Amoy in 1921 to find it well deserving of the title, "The World's Dirtiest City." The water supply was the first thing that took his attention. Good water was in great demand, and was brought in by dirty junks, carried in filthy buckets, and sold for 30 cents a tan.

Two or three foreign firms had attempted to drill artesian wells, but all had failed. Mr. Ling made a survey and found that artesian wells were impossible because of the volcanic formation of the area and directed his attention to a survey to determine the advisability of a reservoir system. Finding this was decidedly feasible, he decided to carry it out.

Giving his own services entirely free, Mr. Ling organized a promotion company and from his father and ten other public minded citizens he obtained $500 each for the engineering survey. But even $5,500 was an exceedingly small sum to survey an area of 15 square miles covered with the winding streets of an old Chinese city.

Training his own assistants from middle school graduates, and working only from 4 o'clock until six in the morning and from 5:30 until dark in the evening when the surveying instruments could be protected from the milling crowds, and in spite of all obstacle, the survey was finally completed. Contour maps were made, tests for reservoir sites completed and the plan was finally put into shape with the total expenditure of $17,600, all raised by private subscription.

In 1923, the Water Works Company of Amoy was organized. Mr. Ling had estimated that a capital of $1,100,00 would be required, and although only $900,000 was realized at the start, the capital was finally built up to the desired amount.

During 1923 and the large part of 1934, political trouble caused a complete suspension of the work, but in the winter of 1924 the contract for the construction was finally awarded. But the difficulties had only begun. Unfortunately the site selected for the filtration plant was covered with graves. In some places these graves were six layers deep and some 13,000 corpses had to be removed before construction work could begin. The people were still highly superstituous and numerous threatening letters, grotesquely depicting decapitation and other violent forms of death, were sent to Homer Ling.

In 1926 the water works was completed and began operation, giving Amoy one of the best water supplies in the world. Tests of this water by the international settlement in Kulangsu, which buys its water supply from the Aomy water works, shows that this water is considerably above the standard required by the British in Hongkong. In addition to the main reservoir which can supply some 1,500,000 gallons a day, there are two other reservoirs insuring a sufficient supply of water to supply the needs of Amoy's growth for the next thirty years. At present about a million gallons of water a day are consumed, being supplied at the rate of $2.00 for a thousand gallons.

This project has been entirely private and receives no assistance from the government except exemption from taxation. Dividends have been paid every year since 1926 averaging 8½% and although this is not a very high return compared with other investments, the stockholders are satisfied, since they feel that they are rendering a public service. The main problem is to reduce the cost of the water, but like so many other problems in the area it is complicated by political matters. It is authoritively estimated that 40% of the entire water supply is stolen, mainly by Formosans, through illegal connections and tapping the supply pipes. No co-operation has been received from Japanese authorities in suppressing this practice and the Formosans successfully hide behind their extraterritorial rights. If this illegal outlet could be cut off, the cost of the water would be about one-half of the present charge.

With typical thoroughness and a social viewpoint, Mr. Ling also included a plan so that the old families which had made their living from selling and carrying water would not be financially injured. So in the homes of each of the twenty-five such families, a supply station has been established so that they can continue to sell water, supplied to them at a reduced cost, and earn an income of $60 to $70 a month.

Conclusion

When one considers the water works, and other plans of Homer Ling and his fellow citizens, which have been carried through in a manner which combines efficient engineering, successful business promotion, and community service, there is a feeling that the new plans will be carried out. It is not mere talk or paper reconstruction. And the most interesting thing is that most of it is being done locally, by Amoy citizens with privately raised capital and without special dependence upon the national government for funds.

Chinese Delegate at Washington Says Japanese Depress Working Conditions

An attack on Japanese industrial "sweat shops" was delivered at Washington April 6 by Arthur Shaw, British Trades Union delegate to the World Textile Conference, in the course of a statement advocating a world-wide forty hour working week. Mr. Shaw emphasized his friendliness toward Japan but said, "I think that the best way to prove my friendship is to speak frankly and sincerely on Japanese problems." "Sweating," he said, "affects not only the workers of one country, but, because of the ramifications of international trade, the workers of all countries." The prosperity of all countries, he added, has become an international problem.

Foreign textile factory operators, particularly Japanese, employing 46 per cent of all Chinese textile factory workers in extraterritorial areas, depress working conditions throughout China, Chu Shu-fan, Chinese workers' delegate to the Textile Conference, said April 8. Such factories are not subject to Chinese or foreign laws, and pay an average wage of eighteen cents for an eleven-hour working day, Mr. Chu told the conference. "This is unfair practice in every sense of the word," he declared. Chinese factories are unable to improve working conditions because of the foregoing situation, he said.

The Japanese Cotton Mill-owners' Association in China issued a statement branding Mr. Chu's words as "misleading and at variance with the facts." Mr. Chu's use of the term "extraterritorial area," the Association's statement declared, "might mislead the American public, who may not know that he is referring to the International Settlement."

The application of the Chinese Factory Law in the Settlement, the statement continued, is not possible because of the peculiar character of the Settlement's administration. "On the other hand, it was the Chinese authorities themselves which a few years ago balked the efforts to enforce in the Settlement labor regulations drafted by the Municipal administration," the statement charged. "Speaking of the 18-cent wage, Mr. Chu," the statement continued, "failed to say that it was in the American, not Chinese currency. This might again invite misunderstanding abroad. Furthermore, Chinese cotton mills outside of the Settlement boundaries, where the Chinese Factory Law is said to be in operation, are much harsher in their treatment of workers than the foreign mills in the Settlement, where there are no labor regulations."

A proposal for an international organization to control the textile trade was made April 9 by the Indian Government delegate, Sir Firoz Khan Noon, at the session of the World Textile Conference.

The delegates of Belgium, Poland and Canada supported the proposal for a 40-hour week for the textile industry at the April 6 session of the Conference.

U. S. Supreme Court Upholds Wagner Labor Act in Five Decisions

In a series of historic decisions, the United States Supreme Court April 12 upheld the constitutionality of the Wagner Labor Relations Act. The measure was held valid in five separate cases. The first and most important applied to the steel industry, and involved the Jones & Laughlin Steel Co., fourth largest of the American nation's producers. The second was that of the Associated Press, a newspaper wire service; the third involved the Washington, Virginia & Maryland Coach Co.; the fourth applied to the automobile industry, and concerned the Fruehauf Trailer Co.; and the fifth concerned the clothing industry, represented by the Friedman-Harry Marks Clothing Col, manufacturers of Richmond, Va. The Court divided bitterly, five to four, in all of the cases except that of the Washington, Virginian & Maryland Coach Co., which was unanimous.

Sit-Down Strikers Ejected from Hershey Chocolate Factory

A mob of over 100 men, calling themselves "loyal workers," took the law into their own hands at Hershey, Penn., April 7 and ejected by force sit-down strikers who had occupied the Hershey Chocolate Co.'s factory for five days.

U. S. Senate Votes "Sit-Down" Strikes Illegal

By 75 votes to five, the U.S. Senate April 7 passed a resolution condemning sit-down strikes as illegal and contrary to public policy.

Ford Snubs United Automobile Workers' Union

The Ford Motor Car Co. has no intention of recognizing the United Automobile Workers' organization as a bargaining agency, Henry Ford stated at the end of the short-lived sit-down strike in his assembly factory, at Way, Georgia April 8.

U. S. Places Embargo on Huge Oil Shipment Destined for Britain

The U. S. Government last week placed an embargo on the shipment of 16,000,000,000 liters of petroleum destined for England, the largest single mineral oil shipment ever recorded, by the United States.

The reason for this momentous decision, according to the London *Daily Express* is that the oil has been ordered as an integral part of the great British rearmament plan, the intention of the British government being to store this oil for use in case of war.

Shanghai Volunteer Corps Not to Be Disbanded, Says H. E. Arnhold

H. E. Arnhold, retiring Chairman of the Shanghai Municipal Council, in an address to the officers of the Shanghai Volunteer Corps at the Annual Inspection Dinner April 10 stated emphatically that the Corps would carry on as in the past. Mr. Arnhold especially commended the Russian Regiment on the splendid showing it made in the Annual Review. There had been some criticism, he said, on the sum of money spent on the Russian Regiment and the Corps as a whole, but he expressed the opinion that there was no likelihood of its being disbanded. The Shanghai Municipal Council, Mr. Arnhold added, had no definite assurance that those nations which now maintain armed forces in Shanghai would continue to do so indefinitely.

French Concession Government Under Fire

The whole question of the government of the French Concession was brought before the French Consular Court last week in a civil suit filed by Dr. A. Richer, well-known physician and resident of the Concession. The sum and substance was "Why has the French Concession for the last ten years been administered by a provisional committee rather than a duly elected Council?" Dr. Richer's petition pointed out that the French Muncipal Council was dissolved on Jan. 14, 1927, and an order establishing the present form of government was issued the following day. Since then there have been no elections of Councils or Land Commissioners. The Councillors are nominated by the French Consul-General, but the two Land Commissioners are nevertheless to be elected under the provisional committee system. Every year a list of voters has been published in the *Bulletin Municipal*, but as there have only been two candidates for the two seats in the past, there have been no elections.

China Association Chairman Hopes that China Will Meet Japan Half Way

At the annual meeting of the China Association in London April 8 D. G. M. Bernard, the chairman, emphasized the importance of the desire expressed by the Japanese Foreign Minister, N. Sato, in the House of Peers on Mar. 8, for new relations with China. He also stressed the significance of Mr. Sato's intention of re-examining the north China question with a view to effecting a compromise. "If this apparent turning of a new page by Japan becomes a fact, we hope the Chinese Government and people will meet Japan half way," Mr. Bernard declared.

British Activity in China Causes U.S. Ambassador to Seek New Instructions from Washington

The *Shanghai Mainichi* April 12 published a report that in view of the intensification of British economic activity in China, Nelson T. Johnson, American Ambassador to Nanking, has asked for fresh instructions from his government in Washington. The *Mainichi* said it is generally believed that Anglo-American relations in respect to China policies have reached the crossroads and that a decision is pending as to whether the existing cooperation between the two countries shall be continued.

Japanese Paper Says Wenchow to Be Made Base for British Submarine Operations

The *Shanghai Mainichi* April 9 quoted what it said was reliable information, that the British authorities have chosen Wenchow on the border of Chekiang Province as the base for their submarines, and have recently dispatched a destroyer there for a very secret investigation of said place.

Japanese Interested in Hainan Island

Mr. Toshima, First Secretary of the Japanese Consul General in Canton, arrived in Hainan Island last week to conduct detailed investigations of the exploitation of that island by the Chinese. The Chinese authorities in Canton are preparing to lodge a protest with the Japanese Consul General against the arrival of Japanese in Hainan Island without proper passports.

Seven Japanese Warships Suddenly Arrive in Swatow

Seven Japanese warships arrived in Swatow suddenly on April 4. The warships were part of the Japanese fleet stationed in Formosa. The City Government of Swatow received a belated communique from the Japanese Consul-General regarding the arrival of these vessels, but no reason was given for their presence in the Chinese port.

Motor-Bus Expedition Enthusiastically Greeted Enroute to Yunnan

The Nanking-Yunnan motor-bus expedition arrived at Nanchang April 10 *via* Wuhu, Anhwei, and Kingtechen, the porcelain center in northern Kiangsi. It received an enthusiastic welcome from a large gathering. General Hsiung Shih-hui, Chairman of the Kiangsi Provincial Government, was the first to greet Dr. Chu Min-i and Dr. Wu Lien-th, leaders of the expedition.

The motor-bus expedition arrived in Kao-an, Central Kiangsi April 12 from Nanchang, provincial capital of Kiangsi, and received a rousing welcome from the people.

Italians Deport British and American Missionaries from Ethiopia

A telegram from Washington, April 11, stated that the Italian Foreign Office had promised to investigate reports that three American women missionaries had been expelled from Ethiopia. According to reports from Rome the three women concerned were expelled for being "in close contact with a British officer suspected of espionage." Six British missionaries were expelled from Ethiopia shortly before Easter, having been told they would be forcibly ejected if they did not leave the country within seven drys.

In the House of Commons April 12 Viscount Cranborne, Under-Secretary of State for Foreign Affairs, announced that the British Consul-General at Addis Ababa and the British Ambassador at Rome had made representations against the expulsion from Ethiopia of six British missionaries. The Ambassador at Rome, he added, had also made further strong representations over the treatment accorded the missionaries.

The missionaries in question belonged to the Bible Churchmen's Missionary Society. They received notice to leave Ethiopia within seven days, and were told that they would be forcibly expelled if they did not go.

Italy Demands "Fair Position" in Mediterranean

The Rome *Tribuna* April 8 in an editorial stated that Britain's traditional supremacy in the Mediterranean has historically ended. The newspaper warned that it would be advisable for Britain to "recognize Italian rights in the Mediterranean rather than to fight them."

Italy "intends to have a fair position" in the Mediterranean, the newspaper pointed out, adding that "it would be better if Britain would openly accept and loyally recognize that position." The newspaper pointed out that "Italy is armed to the teeth," but added, however, that Italy was desirous only of safeguarding her rights and living in peace.

It is persistently rumored meanwhile that Signor Benito Mussolini is preparing to renounce the non-intervention agreement and assist the Spanish rebels on a large scale.

Italy's Naval Estimates Provide for Huge Increase in Expenditures

Italy's new naval estimates were submitted by the government to the Chamber April 9 with a report explaining the reasons why rearmament was necessary. The new naval estimates provide for a total expenditure of 1,860,000,000 Liras, which is an increase of 248,000,000 Liras compared with last year's figures.

The accompanying report stated that the reconditioning of the armored cruisers *Cavour*, *Caesar*, *Garibadli* and *Duca degli Abruzzi* will shortly be completed and that the destroyers of the *Oriani* class will also shortly return to active service after a thorough overhauling.

"Shun Pao" Says Universe Is Permeated by War Atmosphere

The *Shun Pao* in an editorial April 9 stated that the prevailing keen competition in the increase of armaments by various countries in the world has made every corner of this universe full of an atmosphere of war. Especially, since the conclusion of the Japano-German Agreement, every European crisis will have its bearing on the Far East.

World Peace Conference Suggested in U.S. Senate

A suggestion that President Roosevelt should call a general peace conference of nations signatory to the Treaty of Versailles was made in the Senate April 7 by Senator J. Hamilton Lewis (Democrat, Illinois).

Citing instances in which the United States had adopted the role of international arbitrator, Senator Lewis said that America must now try to avert a new world conflict.

"I feel the time has come," he declared, "when our President may summon members who are parties to the Versailles Treaty."

"Hai Heng" Crew Asks for Increase of Wages

The seamen of the steamer *Hai Heng*, sailing from Amoy to Manila, which is owned by the Chinese Merchants Navigation Company, suddenly wired to the General Office in Shanghai April 12, requesting an increase in wages, when the boat docked in Amoy on that date. Their complaint was that they were being paid the same wages as those serving in inland navigation.

Japanese messages also reported that the crew was bringing the vessel to Shanghai, but enquiries revealed that the steamer is making its usual trip to Manila.

Japanese Bank in Canton Transfers Silver to Central Bank

Following in the footsteps of the Japanese banks in Shanghai, the Canton branch of the Bank of Taiwan April 13 transferred its silver holdings, amounting to $243,400 in small money or $191,000 in big money, to the Canton branch of the Central Bank of China. The branch at Amoy also transferred its silver..

Death Occurs at Peiping of Dr. Hawkling Yen, Noted Educator and Diplomat

Dr. Hawkling Yen, who has recently been Professor of English at the National Normal University died in Peiping April 13 as the result of a stroke. His last important diplomatic post was that of Charge d'Affaires at Washington, which he held in 1931 and 1932 during the absence in Geneva, following the Mukden Incident, of Dr. W. W. Yen, who was then Minister to the United States. The deceased was born at Yu-yao, Chekiang, in 1879 and attended St. John's University, Shanghai. Afterwards, he went to America to study political science at Columbia University, where he received his M.D. degres in 1909 and his Ph.D. in 1911. On his return to China he was appointed Commissioner of Foreign Affairs for Chekiang, a post he held from 1912 to 1913. As a technical expert he accompanied the Chinese delegation to the Paris Peace Conference and was later appointed a Councillor in the Ministry of Foreign Affairs. In 1920 he was appointed temporary president of Tsinghua College. The next year he became a member of the secretariat of the League of Nations, and was sent as deputy chief secretary and technical expert to the Washington Conference. In 1923 he was made technical expert of the Financial Reorganization Commission and was in 1924 appointed Vice-Minister of Agriculture and Commerce. At the Tariff Conference at Peking in 1926, Dr. Yen held the post of general secretary, and he served as associate general secretary for the Institute of Pacific Relations during the years 1929 and 1930. He was the author of "A Survey of Constitutional Development in China."

Finance Ministry Makes Offer on Chicago Loan of 1919-21

The Ministry of Finance April 12 announced an offer concerning service of the Treasury Notes of 1919 (the so-called Chicago Bank Loan) of US$5,500,000, the gist of which is as that interest is to be paid at the rate of 2½% per annum for the three-year period commencing Nov. 1, 1936, and at the rate of 5% per annum as from Nov. 1, 1939, payable semi-annually May 1 and Nov. 1. It called the Chicago Loan because it was originally made by the Continental and Commercial Bank of said city in 1919 and renewed in 1921. It is more generally referred as of the latter year.

The notes are to be retired by drawings at par to be effected by the fiscal agent of the loan in the month of August prior to each date on which drawn notes are to be paid. Payment of interest and principal is to be made out of the salt revenue after making provision for charges existing as of April 12, 1937, and in priority to all charges that may be created subsequent to that date. All provisions of the original contract remain unchanged except insofar as the carrying out of this offer gives effect to other specific provisions.

Rice Merchants Continue Opposition to Exemption of Tax on Foreign Rice for Kwangtung

Strongly opposing the exemption of tax on foreign rice imported into Kwangtung, the rice merchants in Shanghai of many provinces held a meeting April 11, at which the decision that representatives will be elected for negotiating with the Nanking authorities with regard to the withdrawal of this decree was reached.

Cheng Tien-ku to Investigate Rice Situation in Kwangtung

Acting on the orders of the Central authorities, Cheng Tien-ku, Political Vice-Minister of Industry, proceeded this week to Canton, where he will conduct an investigation into the rice situation in Kwangtung. Mr. Cheng will also pay a visit to Hainan Island, south of Kwangtung. He will return to the Capital in two months via Kwangsi, Hunan, Hupeh and Kiangsi. Meanwhile, petitions continue to pour in protesting against the Government's latest action in exempting foreign rice for Kwangtung from payment of the Customs Import Duty.

Amoy Designated as Plague Area by Formosa

Amoy has been designated by the Formosan Government-General as a plague area. Drastic measures are being taken to prevent the spreading of the disease from Amoy to the Island.

Complying with the request of Dr. J. Heng Liu, Director of the National Health Administration, a special grant of $30,000 was made by the Executive Yuan April 12 to combat the epidemic of bubonic plague, which is ravaging Futsing and ten other districts in Fukien province.

More Than a Million Dollars Distributed to A. O. F. C. Creditors

In accordance with a recent order of the U. S. Court for China, Dr. George Sellett, liquidator of the defunct Raven institution, the American Oriental Finance Corporation, end of last week mailed out checks to creditors for a total of $1,025,000. Full payments were made on "A" class claims, and 20 percent on "B" class claims. The latter were promised a further dividend later on.

Japanese Finance Ministry to Curtail Investments in North China

Declaring that the investment of more than Yen 100,000,000 in the cotton textile industry in North China by Japanese financiers will affect adversely the control of Japan's foreign exchange, the Japanese Finance Ministry is planning to take actions to stop such investments, the *Sin Wen Pao* of April 7 quoted well-informed circles in Tientsin as saying.

It is reported that a high military officer has been instructed by the Japanese Garrison in Tientsin to explain the situation to the Finance Ministry. According to this officer, over 70 per cent of the investments will be used for the purchase of machinery and other equipment in Japan, so that actually only 30 per cent of the total investment is being spent in North China. It is expected that the Finance Ministry will reconsider the matter.

With the permission of the Japanese Garrison in North China, the Osaka Chinhwa Cotton Mill will build a cotton mill in Tientsin at a cost of $5,000,000. It is reported that the plant, which is to be built this coming July, will have 40,000 spindles. The Great Japan Cotton Factory has decided to invest $5,000,000 in northern Hopei for the development of cotton plantation in the area.

Japanese Funds Not Obtainable to Open Mines and Build Railway in North China

Despite the activities of a number of the high military officers of the Japanese Garrison in North China to persuade the Japanese finaciers to invest money in North China, no capital is forthcoming because of the political changes in Japan. It is reported that the Oriental Development Company has promised to finance the building of the Tsangchow-Shihchiachuan Railway but owing to the dissolution of the Diet no action will be taken by the company for some time, the *Shun Pao* of April 9 stated.

China Will Purchase 100,000 Spindles from Japan

The *Shanghai Nichi-Nichi* April 13 stated that the Chinese authorities have commissioned a certain consortium to negotiate with a certain Japanese spindle manufacturing company for the purchase of 100,000 spindles from the latter for the new cotton mill which will be established near Shanghai by the National Government with a capital of $10,000,000. It will possess 500,000 spindles.

Li Shih-hou on Sino-Japanese Economic Co-operation

Interviewed upon his arrival in Shanghai from Peiping this week, Li Shih-hou, chairman of the Economic Committee of the Hopei-Chahar Political Council, declared that negotiations are underway between the Chinese authorities and the Japanese authorities regarding the building of the Tsangchow-Shihchiachuan, Railway and the opening of the Lungyen iron mine. Mr. Li made it clear that Chen Chueh-sen, managing-director of the Peiping-Liaoning Railway, is responsible in the matter of railway building and Chi Chien-yuan is responsible for the negotiations on the matter of the Lungyen iron mine.

Japanese to Organize Cotton Exchange in Tientsin

Japanese businessmen are making plans to organize a cotton exchange in Tientsin. It is reported that the exchange will also handle, gold, cotton yarn and flour transactions.

Chinese Cotton Firms in North China Thrive Despite Japanese Competition

The Peiyang and Hengyang Cotton Mills, the only two concerns under the Chinese management in Tientsin, have been doing thriving business during the past year, according to information from trade circles in the northern city quoted by *Central News*. Hopes are expressed by Chinese cotton merchants that the continued expansion of Japanese cotton industry in North China would not affect the two Chinese mills.

Chinese Leather Tannery to Be Purchased by Japanese in Tientsin

The Yutsin Leather Tannery, a Chinese concern at Tientsin, has decided to sell the entire plant to the Oriental Development Company, because of the special circumstances which make the Chinese management difficult to carry on their business.

Oriental Development Company to Invest $25,000,000 in North China

Yunosuke Yasukawa, who rose from a coal miner to the Presidency of the Yen 15,000,000 Oriental Development Company, departed from Tokyo April 13 on a six-week tour of inspection of Korea, Manchukuo and China.

The President of the Japanese Oriental Development Company, who is now visiting the North-eastern provinces, is due in Tientsin middle of April. The Japanese president will call on Lt.-Gen. Tashiro, commander of the Japanese Garrison in Tientsin and leading Japanese financiers and industrialists during his stay there. It is further reported that the Oriental Development Company has accepted the request of the Japanese military in North China to invest $25,000,000 in North China.

Osaka Legislators to Investigate Goods Distribution in China

Distribution of Osaka-made goods in Manchuria and China will be studied by a group of eight Osaka assemblymen, headed by Tamijiro Nakoshi, who arrived in Tientsin this week by way of Mukden.

Registration of Smuggled Goods Begins in Tientsin

In compliance with regulations promulgated by the Tientsin Customs, shop-owners having smuggled goods in stock April 11 started to register their goods on prescribed forms.

China Loses $13,000,000 Because of Smuggling

China lost $13,000,000 because of the practice of smuggling in the first half of the present fiscal year, according to statistics compiled by the Ministry of Finance. It was reported that in North China alone the authorities lost $8,000,000 revenues.

Death Penalty for Smugglers Ordered by Nanking Government

All Chinese who are engaged in the smuggling of goods valued over $10,000 with any foreign nationals will be shot hereafter, when arrested, according to an order received in Tientsin, April 9 by the Customs authorities from the Ministry of Finance.

Japanese Consulate General Allegedly Takes Part in Smuggling in Shanghai

The Ministry of Finance was urged to lodge a strong protest against the participation of the Japanese Consulate General in Shanghai in recent smuggling activities in Shanghai, in a petition submitted by the Shanghai Chamber of Commerce April 10.

Japanese Smugglers Seek for Military Protection

The *China Times* of April 8 printed a message from Tientsin stating that in view of the strict measures taken by the Chinese authorities in the prevention of smuggling, three representatives of the Japanese smugglers called on the Japanese Garrison in Tientsin April 7, asking for military protection against the Chinese inspectors.

Japanese to Increase the Number of Troops in North China

It is reported by well-informed circles in Peiping that the Japanese will increase once again the number of Japanese troops in North China. At present there are more than 7,000 Japanese troops stationed in various districts along the Peiping-Liaoning Railway.

According to a private investigation, the Japanese troops are distributed in the following districts: Peiping, 900; Tientsin, 2,000; Fengtai, 1,700; Tungchow, 600; Shanhaikwan, 500; Chinwangtao, 500; Nantashih, 400; Tangku, 400; Changli, 200; Luanhsien, 200.

Japanese Special Service Man Shot by Colleague

A director of the Japanese Special Service Department in Tientsin, who was formerly director of the Japanese Special Service Department in Chengchow and was arrested by the Chinese authorities in connection with the Japanese secret plots in the city, was shot by a member of the Special Service Department in Manchuria and concurrently adviser to the bogus regime of East Hopei in the morning of Mar. 4 at the private residence of Col. Washi, member of the General staff of the Japanese Garrison in Tientsin.

The officer received treatment in the military hospital and the assassin is being detained by the Japanese gendarmes in Tientsin. A number of special detectives have been sent to Tungchow to study the case.

The *China Times* noted that the Japanese adviser to the bogus East Hopei regime (the assassin) is responsible for the secret activities in Tungchow and North China and it is his custom to visit Tientsin every week. It is reported that when he arrived in Tientsin on April 2, he called on Lt.-Gen. Tashiro, commander of the Japanese Garrison in Tientsin, the director of the Japanese Special Service Department (responsible to the Kwantung Army) in Tientsin, and Col. Washi, member of the General Staff of the Japanese Garrison in North China.

Japanese Military Wire Frequently Cut in North

The telephone wire of the Japanese Garrison in North China has been cut no less than six times since February 7, it was reported in Japanese messages from Tientsin, April 10. Repeated protests by the Japanese military are said to have brought no satisfactory result.

"Lih Pao" Says Traitors Are Active in North China

The *Lih Pao* April 12 stated that traitors are very active in North China. Li Pao-chen and Chen Kuo-shun, notorious traitors, it was said are making plans with the director of the Japanese Special Service Department in Tungchow for the organization of a terrorist organ.

A Six-Point Program of Chinese-British Cooperation as the Japanese See It

All the three local Japanese dailies in identical reports April 10 discussed a six-point program of economic and military co-operation, which will allegedly be proposed to the British Government by Dr. H. H. Kung, Minister of Finance. Claiming that their information came from "reliable sources," the three journals asserted that the Nanking Government would attempt to obtain a British loan of between £15,000,000 and £20,000,000, secured by Customs revenue beginning from 1937. The negotiations, the reports said, would probably be conducted by Sir Frederick Maze, Inspector-General of the Customs; Dr. Weng Wen-hao, Secretary-General of the Executive Yuan; and other members of the Chinese delegation to the coronation of King George VI.

Dr. Kung himself, the Japanese papers said, would probably remain in the background, in view of his status as the chief delegate to the coronation.

The six-point program of co-operation was given by the three dailies as follows:

1.—A British loan of £15,000,000—£20,000,000, secured by the Customs revenues after 1947, or two years after the Customs complete the payments on the Boxer indemnity. The negotiations on this question will be in charge of Sir Frederick Maze.

2.—Increased British investment in the steel plant in Chuchow, Hunan. This, according to the three papers, has already been approved by Sir Frederick Leith-Ross, chief economic adviser to the British Government, during his visit to China, last year.

3.—Vigorous exploitation of the natural resources of Szechuen, Sikong and Tibet by joint Anglo-British enterprises. The negotiations will be in charge of Dr. Oong Wen-han, who is a noted geologist. Great Britain, according to the reports, has already in principle agreed to the proposal.

4.—Anglo-Chinese co-operation in the development of South China, Szechuen, Hupeh and Hunan. Great Britain, which has already approved the project, will be asked to give an undertaking that this co-operation will be confined solely to the economic field.

5.—Sino-British co-operation in the defense of South China, to link with the British defense scheme in Hongkong and Malacca. Wen Ying-hsing, head of the Customs Revenue Guards and a member of the delegation to London, will be in charge of the negotiations. He, according to the three dailies, will stress Gen. Chiang Kai-shek's contention that Great Britain and China have a common interest in the economic development and defense of South China.

6.—Great Britain will be asked to supply China with munitions, including gas masks. A definite plan will be presented in this connection to the British Government by Mr. Wen.

The above mentioned six points were allegedly decided at the Hangchow conference. The *Shanghai Nippo* made the statement that it was with the object of evading direct attack from others, that General Chiang Kai-shek had requested the competent authorities to grant him two months' vacation. Meanwhile, he invited Signor Stefani of Italy to become advisor to the National Government, which is described as his camouflage policy of evading the opposition, which might be raised by Japan, Germany, and Italy against the new union of China and England.

The *Shanghai Mainichi* mentioned another point, that is, that the Chinese authorities will request England to construct ten cruisers for China, with the object of expanding the naval strength of China.

When *Reuter's* agent at Colombo brought the attention of the members of the Chinese Coronation Mission enroute to England to the Japanese reports, a spokesman laconically characterized them as "pure imagination."

China's Railway Loan Policy Praised by E. Kann

In an article in the *North-China Daily News* April 10, E. Kann, well known broker and economic and financial expert discussed China's Railway Loan Policy. After reviewing the railway history of this country, Mr. Kann said the principal cause for the occurrence of defaults in the service of China's railway loans must be sought in the outbreak of internecine strife extending over many years. The outbreak of civil war was synonymous with the occupation by the warring factions of all the railway lines within the fighting region. Taking possession of the railway invariably meant stoppage of regulated passenger and goods traffic; it also signified retention of all incoming revenue and, finally, the ruination of the line and its entire equipment.

A change for the better, Mr. Kann said, coincided with the arrival in Shanghai of Sir Frederick Leith Ross, chief financial advisor to the British Treasury. Sir Frederick Leith Ross' discussions on railway debts were in the first place with Dr. H. H. Kung who made the first offers regarding the Tientsin-Pukow Railway and Hukuang Railways settlements. Dr. Ku-Meng-yu was then Minister of Railways.

Sir Frederick's task was much facilitated by the appointment some months later of Chang Kia-ngau as Minister of Railways. Mr. Chang, as managing director of the Bank of China, had gained considerable experience in the realm of finance and trade and was quick to realize the necessity of re-establishing China's credit. In face of great difficulties he proposed the resumption of the service of almost all the railway loans in default on terms which were considered by the parties concerned as fair and equitable.

Within a few months Mr. Chang created a new situation which augured well for the future of Chinese railway management and finance. The mere fact that he holds the portfolio of railways is sufficient to inspire much confidence at home and abroad.

To-day all China's railway loans, foreign and domestic, are being served (with one or two minor exceptions) in accordance with terms definitely arranged to the entire satisfaction of all the concerned.

Mr. Kann concluded that the new railway loan policy adopted by the Chinese Government undoubtedly is sincerely meant and—barring warlike operations—is likely to be strictly carried out.

Six Found Guilty of Attempting to Smuggle Opium Into the U. S.

Six men, three of whom were members of the crew of the British steamer *Taybank*, from which a consignmant of opium was seized in New York harbor on March 7, were found guilty by a Federal court in Brooklyn, N. Y. April 10 of conspiracy to smuggle opium into the Unitad States. Ah Nan, a Chinese carpenter from the *Taybank*, who was one of the six men involved, turned State's evidence and tesified for the Government.

Female Operator of Heroin Den Sentenced in Shanghai

Yao Koo-sz, female operator of a heroin smoking den in Elgin Road, Shanghai, was sentenced to 12 years imprisonment by the First Special District Court in Shanghai April 10 after she had been convicted of selling heroin.

International Anti-Drug Pact Ratified by Nanking Government

The international pact for the Prevention of Smuggling of Narcotics was ratified by the Legislative Yuan at Nanking April 9. The pact, which was pronounced as not contradictory to the Opium Suppression Policy of the National Government by the Foreign Affairs and Codification Committees, was unanimously adopted by the legislative body.

57 Opium Addicts Arrested in Peiping

Fifty-seven opium addicts were arrested by the authorities in Peiping, April 8. One of culprits is 15 years old. One of the places which was raided was camouflaged as a "private hospital," situated inside the Anting Gate.

Director of Opium Suppression Commissions Makes Appeal at Medical Conference

A strong appeal for Chinese and foreign doctors and medical experts in China to cooperate with the Government in the campaign against opium and narcotics was made April 6 by Kan Nai-kwang, Director of the National Opium-Suppression Commission, before members of the fourth biennial conference of the Chinese Medical Conference in session at the Shanghai Medical Centre, Feng Ling Chiao.

In his address Dr. Kan explained that the Nanking Government's policy is one of "gradual suppression," and this has been supported by the League of Nations. The Government plans to wipe out the evil in a period of six years, beginning from 1935 and ending in 1940, with complete suppression of the use of narcotic drugs in two years, and of opium in six. During this period a special arrangement is made whereby the aged and sick who, having long acquired the habit and unable to undergo a complete cure within a short time, are permitted to smoke for the time being by obtaining temporary smoker's permits, but opium-smoking so permitted must be gradually reduced and absolutely stopped within six years.

Chinese Journal Says Japan Not in Position to Make Huge Investments in China

Absorption of Chinese capital for the development of Manchuria and North China forms the backbone of Japan's economic policy in China, declared the *Chung Hua Jih Pao*, one of the big vernaculars in Shanghai, in an article April 9. Japan, in the opinion of the journal, is at present not in a position to pour huge investments into China from her resources for economic exploitation in this country. Her financial strength is inferior to that of Great Britain, America, and other countries, and in addition, industrialists and financiers in the Island Empire always consider the safety of their investments first, thus hesitating to invest their capital abroad. Since the Mukden Incident, the paper continued, the Tokyo Government has borne a financial burden of from $160,000,000 to $170,000,000 annually.

"Independent Critic" to Resume Publication in Near Future

The *Independent Critic*, edited by Dr. Hu Shih, eminent Chinese philosopher and scholar, which was banned by the Hopei-Chahar Political Council last year, will resume publication on April 18. It may be mentioned that the paper was banned when Dr. Hu Shih was absent from Peiping.

China to Monopolize Export of Wood Oil

The *Ta Wan Pao* says preparations are being made to monopolize the export of wood oil from China to various countries. The export of wood oil from China last year amounted to a total of two hundred million Chinese dollars, being one-tenth of the total amount of export from China last year. In view of the political situation in America and Europe, large demand for Chinese tung oil is expected. Already the export of tung oil has been increased from the third place of China's exports to the first place and no less than $200,000,000 worth of tung oil was exported in 1936.

Seven-Fold Increase in Export of Wood Oil Recorded in Kwangsi

A seven-fold increase in the export of wood oil over that of 1935 was recorded in Kwangsi for the past year, according to figures released in Kweilin April 6.

Comparative data for the last five years show an export volume of 6,963,698 killograms in 1932, 12,491,804 kilograms in 1933, 12,397,801 kilograms in 1934, 9,858,671 kilograms in 1935, and 65,383,869 kilograms in 1936.

Kwangsi is one of the seven wood oil producing provinces in China, the other six being Szechwan, Kweichow, Hunan, Hupeh, Anhwei and Chekiang. Most of Kwangsi's production was exported to Hongkong.

Honan to Build Modern Prison at Estimated Cost of $220,000

A modern prison, capable of accomodating 800 prisoners, will be built at Loyang, provincial capital of Honan, at an estimated cost of $220,000, recent advices from Loyang state. The projected prison, one of the six detention houses to be erected in various parts of the country as planned by the Judicial Yuan, will be located at the northwestern corner inside the Loyang City wall.

Dutch Firm Wins Whangpoa Harbor Contract

The Whampoa Harbor Development Commission has decided to award a $1,000,000 contract to the Dutch Harbour Construction Company for the building of a new harbor, it was reported in Canton April 6. The actual construction will be completed next January.

Japanese to Build Woollen Factory in Shanghai

As a result of the visit of the Japanese Economic Mission, the Kingtu Woollen Factory in Japan has decided to build a big woollen factory in Shanghai to be known as the Kwangkeng Woollen Factory. Capitalized at $10,000,000 the factory will dominate to a great extent the woollen market in Central China.

Hupeh-Anhwei Phone Service Formally Opened

The long-distance phone service between Hankow, Hanyang and Wuchang to southern Anhwei was formally opened to the public April 14.

Kwangtung Silk Exports Show Great Increase

Advices from Canton state that Kwangtung's silk exports are improving and it is anticipated that 30,000 bales will be shipped abroad this year, compared with 20,000 bales last year.

Drilling Starts in Recently Discovered Coal Area in Shensi

Confirmation that coal deposits recently found in Tungkuan, central Shensi, are of excellent quality, was given by Kao Kuan-chieh, Director of the Mine Inspection Bureau, on his return to Sian this week following a survey. Drilling has been started at three places.

Foreign Tourists Bureau Started at Nanking

For the convenience of foreign tourists, a Metropolitan Foreign Tourists' Information Office was formally inaugurated in Nanking April 12 under the auspices of various local official organs. It is located at the Metropolitan Overseas Hostel.

Technical Expert to Inspect Forests in Kiangsi

Kang Han, technical expert of the Ministry of Industry, has been despatched to Nanchang, provincial capital of Kiangsi, to inspect the dense forests in Kiangsi.

3,000 Taiyuan Students Build Round-City Roads

Starting their voluntary labor service for the public good, over 3,000 students of 17 schools in Taiyuan April 12, discarded their books for overalls in assisting the construction of round-the-city roads.

Old Bed of Yellow River to Be Dredged

The proposal of the Hsuchow administrative authorities for the dredging of the old bed of the Yellow River hear Hsuchow, so as to make use of it as a reservoir for supplying water in time of emergency, has been approved by the Kiangsu Provincial Government.

Gen. Liu Hsiang Stresses Need for Economic Development of Szechuen

Development of communications, opening of modern factories and reclamation of waste land are important projects which should be immediately undertaken by Szechuen, General Liu Hsiang, Chairman of the Szechuen Provincial Government, told members of the provincial administration and local leaders at a conference in Chengtu April 10.

To put these tasks into execution, the Szechuen Chairman has asked the various provincial departments to map a definite program for the economic development of Szechuen to be enforced on July 1.

It is learned that disbanded soliders in Szechuen will be organized into reclamation corps in order to make full use of idle land in the province.

Creation of Food Control Bureau in Time of War Suggested

The creation of a central bureau to control foodstuff supply in time of war is recommended in a set of measures drafted by experts in the People's Economic Planning Committee.

New Chinese Amoy-Manila Service Poorly Patronized

Inauguration of the Amoy-Manila shipping service by the China Merchants Steam Navigation on April 3 has started keen competition among the various shipping concerns for business along the route. Although the *s.s. Hai Heng*, which inaugurated the service, has a cabin capacity for 744 passengers, owing to reduction of rates by foreign firms it carried only 64 travellers to Manila. Of this number nine were special class passengers, five travelled first class, four second class and 46 third class.

New Harbor Tug Launched at Chinese Shipyard in Shanghai

A new single screw steel harbor tug named *Chien Tai* was launched from the yard of the Huh Hsing Engineering and Shipbuilding Works, Ltd., Nantao, last week.

New Broadcasting Station to Be Erected at Paoting

The Hopei Provincial Government has decided to establish a broadcasting station in Paoting to be equipped with a 500-watt radio set. Wei Kuei-hai, Director of the Telephone Bureau in Chingyuan district, will be appointed Director of the Station.

Native Goods Corporation to Have 17 Branches Throughout China

To actively carry out the "Buy Chinese" campaign, 17 branches will be established at key cities by the China Native Goods Joint Sales Corporation, which was inaugurated in Nanking Apr. 12. With their capital ramging from $200,000 to $700,000, these projected branches will be opened at Nanking, Hankow, Peiping, Tientsin, Chengtu, Kweiyang, Wuchow, Swatow, Shasi, Kaifeng, Taiyuan, Nanchang, Kiukiang, Wuhu, Amoy, Hangchow and Ningpo. Meanwhile, the existing native goods companies in Shanghai, Chengchow, Changsha, Wenchow, Chinkiang, Foochow, Tsinan, Sian, Hsuchow, Chungking, Kunming, and Canton will be reorganized in order that they may effectively cooperate with the China Native Goods Joint Sales Corporation in promoting the native products trade.

Tsai Sheng-pai, manager of the Mayar Silk Mills in Shanghai and Wang Hsin-yao, executive member of the China Native Goods Production and Sales Association in Shanghai, were elected general-manager and assistant manager, respectively, of the corporation.

Speaking at the inauguration of the Native Goods Joint Operating Corporation in Nanking, Apr. 10, Wu Ting-chang, Minister of Industry, said that the Corporation not only facilitates the sale of native goods but also gives opportunity to the people throughout the country to buy native goods.

Native Goods Inspection Party to Yangtsze Areas to Leave April 20

On a two-months trip to the Yangtsze Valley to promote the sale of home-made Chinese goods a Native Goods Inspection Party of five members from Shanghai will leave here on April 20.

To be divided into two groups, the Party has mapped out a four-point program for the development of native goods trade in the regions through which they will pass.

The first group will visit Chinkiang, Nanking, Wuhu, Anking, Kiukiang, Nanchang, Hankow, Yaochow, Changsha, Hengyang and along the Canton-Hankow Railway, while the second group will go to Szechuen, stopping at Wanhsien, Chungking, Fungtu, Chengtu, Chiating and other cities.

To carry out the first point of the program to Party will make an investigation of the sale conditions of native goods in the Yangtsze regions during the past few years in order to make a comparative study with foreign goods trade. The psychology, taste and criticism of the people there will also be sought as reference to native goods manufacturers and merchants in Shanghai.

Secondly, a publicity campaign will be launched to acquaint the populace with the working conditions of native goods factories in Shanghai and the improvements made during recent years.

Mitsubishi to Build Foochow Waterworks

A contract for the construction of waterworks in Foochow was signed in Shanghai last week between the Fukien Provincial Government and the Mitsubishi Shoji Kaisha. Under the terms of the contract, the waterworks will be built in 21 months, with the payment, said to be in the neighborhood of $900,000, being made within a year after the building is completed. The contract was signed by Chen Ti-cheng, Director of the Fukien Provincial Government's Construction Bureau, and Kanji Tanaka, manager of the local branch of the Mitsubishi concern.

Japanese Monoplane "Kamikaze" Makes Record Flight to London

THE all-Japan-made monoplane *Kamikaze* (Divine Wind,) belonging to the *Tokyo Asahi*, made aviation history by landing at Croydon airdome (London) on April 9, 94 hours after its departure from Tokyo. The announced aim of the pilot was to make the trip in 100 hours. The plane made the following stops enroute: Formosa, Hanoi, Vien-tian (Indo China), Calcutta, Karachi, Basra, Baghdad, Athens, Rome and Paris. The plane was in charge of Masaaki Iinuma, pilot, and Kenji Tsukakoshi, mechanic, co-pilot and radio operator. The actual flying time was 51 hours, 19 minutes and 23 seconds. The last stretch to London, 221 miles, from Paris was covered in one hour. Shouts of "Banzai" mingled with hurrahs as the slim craft landed gracefully bringing into full view the sun insignia of the *Asahi* chain of newspapers painted on its wing tips. British aviation officials, members of the airport staff and others joined the Japanese Ambassador, Shigeru Yoshida, in extending congratulations to the two fliers. A champagne toast was subsequently drunk in the airport office building.

Kamikaze in a message April 8, said "Weather clear, but will have to fly against wind. Flying conditions across India excellent, reminding us of Manchuria."

The fliers carried a goodwill message to the British nation from the *Asahi*. "We conceive it to be a great honor and privilege," the message declared, "to present our sincerest congratulations to the great British nation, our old ally, on the most auspicious occasion of the coronation."

Tokyo was en fete April 10 to celebrate the record dash of the *Kamikaze*. Under the sponsorship of the Imperial Japanese Aeronautical Association, a gala festival was held at the Hibiya Park. The program included speeches by Gen. Gen Sugiyama, War Minister, Anmiral Mitsumasa Yonai, Navy Minister; and Count Hideo Kodama, Minister of Communications.

A "remarkable achievement" was how Harris Beck, manager of Transcontinental Western Airways, characterized the success of the *Kamikaze*. The Japanese, he pointed out, did not fly along established airways equipped with tempting navigational aids and abounding with an excellent service. They had broken the record "without advance notice," and deserved the greatest congratulations, Mr. Beck added.

New C.N.A.C. Sikorsky Plane Makes Test Flight to Canton and Return

Completing a round-trip test flight to Canton, the new 15-passenger Sikorsky airliner of the China National Aviation Corporation returned to Shanghai on the afternoon of April 19. The airliner, both on its north-bound and southbound trip, carried a full C.N.A.C. operations personnel. H. M. Bixby, Vice-President of the Pan American Airways, and E. M. Allison, Operations Manager of the C.N.A.C., also made the trip.

U.S. to Australia Air Line Awaits Agreement Between American and British Interests

The United States is rapidly pushing ahead with preparations in the Pacific for a possible air route linking the United States with Australia. However, it is understood that experimental flights between the United States and the Antipodes will not begin until an understanding is reached between American and British interests.

Tokyo-Peiping Direct Air Service to Start June 1

It has been definitely established that the direct service between Tientsin, Peiping and Tokyo will commence as from June 1. The plane, leaving Tientsin at 7 a.m., will land in Tokyo at 5 p.m., flying via Dairen.

Women Throughout China to Be Given Courses in Air Defence?

Courses on elementary knowledge relating to air defense, first aid and simple medical treatment should be offered by women's associations for the promotion of the New Life Movement in the various localities in order to cope with the present "extraordinary situation," according to a formula laid down by the Women's Guidance Committee of the National New Life Association.

Hui Tung Aviation Corporation Asks for Registration With Ministry

An application for registration with the Ministries of Industry and Communications was sent last week to the Tientsin Municipal Government by the Hui Tung Aviation Corporation, a Sino-Japanese concern with headquarters in Tientsin. The step has been taken, it was stated, in accordance with the Chinese Corporation Law. The Company, it was added, will undertake air mail service as soon as permission is granted by the Ministry of Communications.

Japan to Improve Civil Aviation, Says Ministry of Communication

Japan's civil aviation will be brought during the 1937-38 fiscal year to the level of development and efficiency attained in any foreign country, officials of the Ministry of Communications predicted in Tokyo April 3.

Materialization of fundamental administrative reforms is a pre-requisite for strong national defense in general, and for a powerful air force in particular, Lieut.-Gen. Imai, Assistant Chief of the Army General Staff, asserted in a signed article published in the magazine of the Army Officers' Club in Tokyo April 13.

Planes Will Not Call at Nanking During Repairs to Airdrome

It was announced in Nanking April 13 that the airplanes of the Eurasia and the China National Aviation Corporations will not call at Nanking temporarily owing to the local airdrome being under repair.

The record-breaking "Kamikaze" is shown in the lower picture. The upper view shows Kenji Tsukakoshi, (left) mechanic, radio operator and relief pilot, and Maasaki Iinuma, pilot.

Ministry of Foreign Affairs Stops Emigration of Laborers to Italy and Abyssinia

Prohibition of Chinese laborers to emigrate to foreign countries from the districts of Yunchia and Chintien in Chekiang has been ordered by the Ministry of Foreign Affairs. The step was taken in response to a petition of the leaders of the two districts owing to the alarming number of Chinese laborers leaving there for Italy in quest for employment during the last few months. Measures to cope with the large-scale exodus of laborers from these two hsien to Italy have also been mapped out by the Ministry in connection with the prohibition order. Pointing out that the exodus of large numbers of Chinese laborers from the two districts constitutes a menace to the development of reconstruction work there, the leaders of Yunchiahsien and Chintienhsien, in their petition, said that recently a number of unemployed persons in Shanghai have arrived there and instigated various kinds of "publicity campaigns" among the ignorant people about the lure of working abroad.

Rumors have been circulated in the two districts to the effect that a certain Italian shipping concern will grant special rates to Chinese laborers travelling on its vessels as from this month. It was further stated that a 50 per cent discount on the passage would be given to every 100 persons going to Italy, which will make the one-way fare for each individual to around $200 Chinese money. If the laborers do not find work in Italy, the rumors stated, they will be dispatched to Abyssinia by the Italian Government for reclamation work, which will yield a handsome profit.

Many people in the two districts have been fooled by these promises, the petition said, and already more than 10,000 laborers had sailed for Italy.

How Hupeh Governor Administers Province

BY S. Y. CHI 季世英

THE policy of administration of the new Governor of Hupeh, Gen. Huang Shao-hsiung, has been graphically described in a 24-page brochure just published, under the title, "A new spirit of the Hupeh Provincial Government and the essential points of administration," covering ten chapters—summarized as follows:

The Transformation of Spirit and Custom.—Strenuous effort must be made to press forward the New Life Movement. Unless the Movement is resolutely carried out, there will be no hope of any political success. To set an example to the society, good conduct and discipline must be enforced, first among the public functionaries and all men in uniform. Non-keeping of time, lack of politeness, languidness of spirit, and other corrupt deportment and practices must be corrected. Military and police officers and all men-at-arms must show a high spirit of discipline and self-respect in their daily contact with the people, whose trust will be held by the influence of their good example. *Ad interim*, public servants of the government should have recourse to moral cultivation so as to develop their patriotic spirit and sound character, so that they would become loyal to their duties and command the respect of the public.

The Guide to Personnel Employment.—The principle of personnel employment is that a staff will be chosen to fill the post and that no job will be created merely to please somebody. Henceforth, the employment of a staff will be judged by the demand of the work and all work must be carried on by a staff of competent employees. Luck will accompany those who have an active and modern spirit, willing to perform their duty alertly, faithfully and diligently. Lack of this spirit, no candidate for office, irrespective of age, will be considered.

In future, only those who have shown a satisfactory record of service will be retained in office and only a record of efficient service and loyalty to duty are the safe security against one's dismissal and present a chance to promotion. To retain the fittest is a treatment fair and square.

Concrete work will be assigned to the public functionaries so that they will be trained while doing their work. No discrepancy in regionalism or favoritism will ever mar the selection of men of ability.

Readjustment of the Administrative Machinery.—The administrative organism must be made unified and rationalized in the operation of its functions. Organs of a similar nature of work should be reorganized under one control and the dissolution of the overlapping organs will not only save public expenses but also do away with the divergence of duty that impedes the progress of their work.

An inspection system is to be instituted to study and investigate the conditions of the various districts and, based upon their report, separate but practicable measures will be recommended to improve the administrative efficiency of the district government.

The Department of Civil Affairs.—Magistrates are the chief executives of district government, of which there are 70 in Hupeh Province. They deserve better treatment and higher social standing and should be given wider power and freedom in the execution of their duties, so that they could share greater responsibility and be loyal to their duty and content at their work. The magistrate must be directed to serve the government in a higher spirit and with a better ability, which will gain the confidence of the superior officer and command the respect of society.

The police force of Wuhan District, a model representation of police administration, must be well trained to serve the purpose of a metropolitan force. The police corps of the various districts must be reorganized and made efficient in their strength of maintaining peace and order.

Steps are taken to complete the reorganization of the "Pao-Chia" system throughout the province and to make it active and useful for public service.

The time-honored granary system must be re-established. It will serve the purpose of relieving the rural financial stringency.

Labor service must be promoted and properly utilized for the carrying out of public reconstruction projects where large recruiting of labor is needed.

The "Pao-Chia" officers and the volunteers must be properly trained. The progress of district government depends, in the long run, on the efficient functions of the "Pao-Chia" officers. The volunteers, trained and organized, and given proper civic education and some productive technique, will help the progress of society.

Concerning the Department of Finance.—The tax machinery must be overhauled, so that practices of corruption and malversation may be done away with and the treasury strengthened. The traditional system of tax levy by "ratio" must be discontinued and all impositions must be made accurate. A separate treasury is to be installed in every district so as to banish all mal-practices and squeezes. Within the limit of local circumstances, funds are to be raised to finance the development of district and village enterprises.

Concerning the Department of Education.—National defense education must be promoted to educate the people to the knowledge and need of national defense. The people's thoughts are to be controlled, their common-sense widened, their productive power augmented and their physical culture promoted.

The difference of "school-party" opinions amongst the educational circles must be entirely repudiated. Let all work together for the common progress of education in Hupeh. None the less important is the cultivation of a good school reputation and the promotion of higher graduation standards. Both moral and intellectual development of the student should be equally emphasized.

As a means to relieve the large number of the less fortunate children in the province, classes are either to be added or enlarged in the schools for the accommodation of more students who have no chance to get education. Meantime, more "Pao-Union" primary schools are to be opened and the district middle schools reinforced to combat the prevalence of illiteracy. In coping with the demand, more groups of professional teachers should be produced to run these schools and to serve the community. All the teachers and school executives must be given, from time to time, a proper training for the development of their mental, moral as well as physical faculties, so that their service may be made adaptable to the need of the times.

General Huang Shao-hsiung, Chairman of Hupeh Provincial Government.

Concerning the Department of Reconstruction.—Work is to continue on the completion of the unfinished roads and road-paving. New lines will not be built until what is under construction has been concluded.

Hydraulic utility and navigation service are the two interdependent tasks of Hupeh's reconstruction; hence inland navigation must be improved to meet the public demand. Due attention should be given to the development of communication and all the productive enterprises in this province.

The Rural Co-operative Committee and the co-operative societies must undergo a process of reorganization so that they will be made useful to the epxansion of the co-operative business in the rural communities, where the question of economic recovery demands an urgent solution. Agricultural products await scientific methods of improvement, whereby the production, both in quantity and in quality, may be increased.

Recovery of light industries has been given consideration. The government is trying to amass all available funds to re-open all the factories, long suspended in the Wuhan District, while private investment is invited to assist in the early realization of the project. It will provide work for tens of thousands of people.

The means of transport and marketing of agrarian products are to be studied and improved with a view to stimulating the healthy circulation of native goods with the help of the cooperatives.

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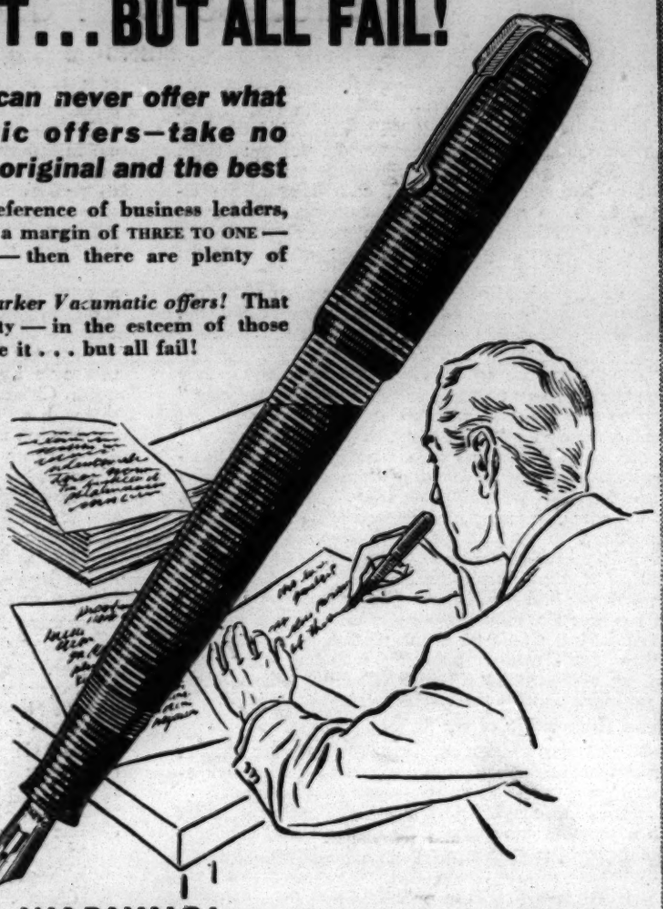

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Concerning the Department of Peace Preservation.—The maintenance fund of the Peace Preservation Corps is to be readjusted in regard to its receipts and expenditure. Out of the budget, a fund must be earmarked for the replenishment of arms and munitions. Strict training and better discipline must be enforced among the Peace Preservation Corps. Finally, close co-operation must be cultivated among the three parties, the district government, the people and the Peace Preservation Corps, in their function of maintaining peace and order. They should help in the promotion of soldier labor and conscription and the training of the "Pao-Chia" officers and volunteers. The Magistrate has the power to command the Corps in time of trouble.

River Conservancy.—An improvement of the river conservancy organs is demeed necessary. A permanent plan should be drafted to tackle the hydraulic problem once for all. Sufficient funds will be appropriated for both temporary and permanent works, which are to be equally emphasized. Before starting, a comprehensive study of the river conservancy plans that embrace dike building, construction of reservoir and dams, etc. will be made to decide their practicability and finance. Meantime, lakes must be deepened and canals dredged to safeguard against a repetition of flood or drought.

Reafforestation is another point to be emphasized together with the dike building and lake dredging projects. These hydraulic works can be undertaken by the labor service.

Land Regulation.—The area of land will be regulated by aerial survey, which costs only 6.8 cents per *mou*, according to calculation. With this process all the land in the province can be accurately mapped out and properly registered.

Another important question now faces the financial authorities is the readjustment of the land-tax so that the levies may be made equal and fair among the tax-payers. And, hereafter, no evasion of tax payment will ever be countenanced.

Wuchang, April 15, 1937.

Japanese Admiral Reviews Nippon's Armed Forces in Shanghai

Admiral Mineo Osumi, special naval inspector for this year and former Minister of the Navy, departed for up-river ports Sunday night aboard the destroyer *Tsuga*, after a three days inspection tour at Shanghai. Admiral Osumi witnessed special maneuvers staged for his benefit in the eastern district, east of the Yangtszepoo Creek. He also reviewed 3,000 bluejackets, light and heavy tanks, armored cars and the anti-aircraft unit in Hongkew Park and Kiangwan Road. The reviewed force was composed of men of the special naval landing party and detachments from the Japanese men-of-war in port. Rear-Admiral Denshichi Onkochi, commander of the landing party, led the parade.

The Hongkew Park and the surrounding area were placed under a heavy guard by Japanese bluejackets, gendarmerie and the Shanghai Municipal Police. Kiangwan Road was lined with widely spaced sentries, watching the sidewalks and the fences. In Hongkew Park, the spectators, estimated at about 3,000, were not allowed to leave the park until Admiral Osumi had departed.

The Japanese Economic Mission to China—Success or Failure?

BY C. Y. W. MENG 孟長詠

THE Tokyo newspapers as well as the Japanese papers in Shanghai united in characterizing the Japanese Economic Mission to China as a "failure." A *Nichi-Nichi* dispatch from Shanghai enumerated two reasons for the failure: First, China's anti-Japanese ideology is still sufficiently strong to sway all phases of Sino-Japanese relations and, consequently, the industrialists do not care to proceed with economic rapproachment lightly; Secondly, the Chinese idustrialists are under government control and are unable to transgress even a single step set by the government.

But Mr. Kodama, the head of the Japanese Economic Mission, denied such reports, and expressed his belief that "both China and Japan have been greatly benefited by the recent visit of the Japanese Economic Mission to Shanghai and Nanking." He further intimated that "a Sino-Japanese agreement in principle had already been reached on the questions of trade, cotton, sugar and banking." While declining to reveal details, Mr. Kodama told the press that the Mission had conducted a "frank and free exchange of views" with Chinese officials and business men regarding various Sino-Japanese questions. According to him, "the Northern China issue" and trade problems were also included in the discussions. He added that the special committee to be established in Japan and in Shanghai as a result of the Mission's deliberations with Chinese businessmen will have sub-committees dealing with the problems of finance, trade, and sugar manufacturing.

In other words we find today, that while some of the Japanese claim that the Japanese Economic Mission to China was a success, others claim that it was a failure. Some portion of the Japanese point out that Sino-Japanese problems including the North China problem, are now settled "in principle," while others characterize these problems as of a "grave nature."

Some Knowledge of the Inner Story

But in order to know whether the Japanese Economic Mission to China was, or would ever be, a success or failure, some knowledge of the inner story of the situation is more than necessary.

First: We have to discuss briefly the present political situation in Japan. Since the formation of the Hayashi cabinet, generally speaking, there have been two great cliques in Japan opposing each other. In the absence of exact terms for the translation, we may call one the "nationalist front," and the other the "liberalist front."

While the former is undoubtedly composed of the followers and devotees of the so-called continental policy, of Japan, the militarists—including, of course, the Japanese militarists in north China—the latter is largely composed of leaders in the financial, industrial and commercial realm in Japan, in which are included Mr. Kodama and the members of the Mission. While the former wants to continue the aggression in China and to march on to the Asiatic Mainland, the latter wants to pursue a more conciliatory policy with the Chinese; and further accuses the former of being too aggressive and of having committed too many blunders in the past. The "liberalist front" have now invented a new policy, which they call the "policy of economic co-operation," and which they intend to substitute for the continental policy, so as to appease the present Chinese anti-Japanese feeling. But as the Japanese militarists have never abandoned their continental policy, they could not agree. So here is the conflict between the "nationalist" and "liberalist" fronts in Japan.

Second.: Since the signing of the Tangku Agreement on May 31, 1934, it has become a practice that whenever occasion arises, the Japanese militarists in north China always approach the local Chinese authorities for "direct negotiations" for settlement of the problems. Thus the usual course of negotiations through proper diplomatic channels, has long since been abandoned by the Japanese. There are certain reasons for this. First: Through face-to-face negotiations, and through personal influence as well as strong military pressure on the spot, the Japanese militarists could succeed more easily in many of the negotiations. So they proudly claim that they could accomplish something "without firing a single shot" within "the shortest possible time"! So they also claim that the duty of the Japanese forces in north China is twofold; to protect Japanese life and property, and to "handle foreign affairs," meaning, of course, the negotiations with Chinese authorities.

There is another reason for this. Through these accomplishments, the Japanese militarists find their chances for personal advancement. Their names are always on the reward lists. Their War Office would recommend them, and through the Imperial Edicts they are decorated or promoted to higher ranks. So the ambitious young military officials are most anxious to come to north China "to do something" to facilitate their promotion to higher ranks. This precedent is now so well established that the Japanese militarists in north China consider it a "shame" if they do not accomplish something during their stay in north China. Under such conditions, one can easily understand the reason why during these years the negotiations regarding the problems in north China are conducted, not by Japanese diplomats, but by the Japanese militarists. One could also easily conclude that the Japanese militarists would not abandon such policy; for once they are ordered to go back to the barracks and to let their diplomatic representatives conduct the negotiations with the Ministry of Foreign Affairs in Nanking, their chances for "accomplishments" and for "promotion" would be very slim.

With such background of the situation in mind, we know at once that the Kodama Mission was dispatched to China by a clique in Japan diametrically opposed to the Japanese militarists; and that the policy of the Japanese Economic Mission to take up negotiations with the Chinese central authorities is also diametrically opposed to the policy of the Japanese militarists in north China of conducting negotiations by themselves. That there has been no open opposition against the coming of the Mission must not be taken as implying consent or acquiescence on the part of the Japanese militarists at home and in north China. The Japanese are fond of taking "face-saving steps." Apparently, they fear that any expression of their opposition would at once lead the world to believe that Japan is not yet united in their policy in China.

In addition, we note also the many underhand actions taken by the Japanese militarists in north China to oppose the Kodama Mission to China. We note the following instances:

Japanese Militarists in North China Oppose the Mission

1.—The Meeting of the Japanese Military Attaches in Tientsin on Mar. 16 and 17:—While Mr. Kodama and the members of the Mission were in conference with the Chinese officials and businessmen in Nanking or Shanghai, the Japanese militarists also called a meeting in Tientsin of the Japanese military attachees in many parts of China. While on the first day (Mar. 16) it was devoted to hearing the many reports submitted by the Japanese military attaches, on the second day (Mar. 17), discussion of the resolutions took place. But a despatch from Tientsin, which appeared in the Chinese papers, had the following to say:

> ". . . . Eight or nine out of ten resolutions which were discussed at the conference, concerned the Kodama Mission to China . . . The Japanese militarists were not only opposed to the extension of the influence of the liberalist front, but also contemplating taking retaliatory actions against the Japanese financers and industrialists who failed to give any favorable response to their calls for investment of their capital in the development of industries in north China . . . . So the Japanese militarists know beforehand that the Kodama Mission is a failure . . . ."

2.—The failure of Mr. Kaco's trip to Tientsin:—The only member of the Mission who visited Tientsin was Mr. Kaco, the governor of the Korean Bank. He arrived at Tientsin on Mar. 25. But in the same morning, on the ground that he had to inspect his troops in Tangsen, General Tashiro, commander of the Japanese Garrison in the north China, left Tientsin, obviously for many purposes: first, to express the disapproval of the Japanese militarists in north China against the coming of the Japanese Economic Mission to China; second, to refrain from telling the Japanese militarists' view on the situation to the Mission; and third, to refuse to see Mr. Kaco. It was reported that Mr. Kaco waited in Tientsin for three days, and finding that there was no date for General Tashiro's return, he left Tientsin for Japan. So Mr. Kaco's trip's to Tientsin was a flat failure, and was conclusive evidence to show the bitter opposition against the Japanese Economic Mission by the Japanese militarists, and also the bitter underneath struggle between the "nationalist front" and the "liberalist front" in Japan.

General Kita's Trip to Nanking and His "Impressions"

3.—General Kita's trip to Nanking: When the Japanese Economic Mission was at Nanking, General Kita, the Japanese military attache in China, also took a trip to Nanking. According to current reports, his purpose was "to find out the attitude of the Chinese 'highest authority' on the situation," which he intended to use as reference for the Japanese high officials at home and for the Japanese Economic Mission when the Mission returned to Japan to make a report. When he returned to Peiping, General Kita also called on General Sung Chi-yuan, the commander of the 29th Route Army, and concurrently the chairman of the Hopei-Chahar Political Affairs, "to find out whether the opinion of the Chinese highest authority in Nanking and that of north China are the same or not." After his visit to Tungchow (now, "capital city" of the Eastern Hopei Government under Yin Yu-keng), he arrived at Tientsin on Mar. 21.

At a meeting, attended by many high Japanese military officials, including General Tashiro himself, General Kita was

reported to have given the "impressions" which he gained in Nanking and Peiping, as a result of his interviews with the Chinese authorities; and was further quoted to have strongly proposed and urged that the Japanese forces in north China "should quickly change their policy towards China; not only is this necessary for the Japanese Garrison in north China but also for the Japanese Kwantung Army." His reason, according to the report, is that "General Chiang is now the leading spirit and is the highest authority in China;" that "China is already on its way as a modern state, though its foundations are not yet so strongly laid as those of other strong and unified powers;" that "China could no longer be humiliated;" and lastly, that "to regard China the same as before September 18, 1931 is to commit a great blunder," etc. His conclusion is that the coming of the Japanese Economic Mission to China afforded a good chance for the change of policy, and he urged the Japanese militarists in north China to give the Mission their support and assistance.

General Kita was further reported to have suggested that the Japanese militarists "might well temporarily stop their activities and put aside their plans 'to give the way to the Japanese Economic Mission,' and to give a 'transitory period' for the operation of the policy of economic co-operation, failing which it is not too late for the Japanese militarists to resume their activities." This Japanese military attache even went so far as to suggest the abolition of the two bogus administrations—the Eastern Hopei government and the northern Chahar organization—, "should the policy of the Japanese Economic Mission prove successful."

Four Months Later!

While it is not possible for us to know definitely whether General Kita's "suggestion" has gained any weight before the Japanese militarists, it is generally believed that the Japanese militarists agreed to a "four months recess." It was reported that the Japanese militarists decided to adopt a "waiting" policy and "silent" attitude. By waiting, they mean partially, of course, to wait the return of some Japanese military officials who had gone to Tokyo to ask for "instructions," before they would call another conference to discuss the situation. It was also reported that such "waiting" policy and "silent" attitude on the part of the Japanese militarists were conditioned upon the understanding that some "problems" concerning the economic development of north China, which have already become *fait accompli*, should not be taken up for re-discussion in the event of further negotiations.

To sum up, whether the Kodama Mission to China is a success or failure is to be decided whether, during these four months, Mr. Kodama—or more correct to say, the Japanese "liberalist front"—would be able to induce the Japanese militarists, or the Japanese "nationalist front" to come into their fold, to agree to the policy of economic co-operation and to cooperate with the Japanese financers and industrialists, though, as far as the Chinese can see the game is not likely to be on Mr. Kodama's side, and the "liberalist front" could hardly do anything in face of the Japanese aggressive, radical and "fascist" elements! Just imagine: In the time when Mr. Kodama claimed that "a Sino-Japanese agreement in principle had already been reached on the questions of trade, cotton, sugar and banking," the Japanese militarists still continued their anti-Chinese agitations, and in his address before the conference of the divisional commnaders, General Sugiyama, the Minister of War, announced a "tense situation," and characterized the Chinese problems as of a "grave nature!"

Nanking, April 10, 1837.

B.A.T. to Establish Plant in Honan for Production of Low-Grade Cigarettes

In view of the fact that the increase in the consolidated tax on "rolled tobacco" (cigarettes) is smaller in the case of low-grade products, the British-American Tobacco Company is reported to be planning the establishment of a large factory in Honan province devoted exclusively to the production of cheap quality cigarettes. The output of the new plant will supply the needs of villages in the interior provinces, the *Shanghai Nippo* of April 9 stated.

Communist Party of China Says Miss Smedley Not "Organically" Connected

Following a denial issued by Miss Agnes Smedley herself that the she is in no way connected with the Communist Party of China (published in *The Review* April 10 in common with other publications) the Central Committee of the Communist Party of China issued the following statement April 6, 1937: "The press in China and in the United States of America has published many stories regarding Miss Smedley, the American writer, stating among other things that she is organically connected with the Communist Party of China. The Central Committee of the Communist Party of China wishes to officially announce that Miss Smedley has no organic connection with the Communist Party of China."

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Can Japan Survive?

BY NUGENT RUGGE

(Concluded from last week)

Then the assistance that Japan could render to Germany calls for consideration. If Japan and Germany were at war with Russia, the former could extend practically none, as she would have her hands fully occupied in staving off defeat. The strength of the Red Army east of Lake Baikal is believed to be over 250,000 effectives. Few reserves would have to be drawn from the West. The Far Eastern Red Army is armed with the latest weapons and is fully mechanized, and is also said to possess superiority in aeroplanes and tanks over the Japanese forces in Manchuria and North China. Vulnerable stretches of the Manchuria-Russia frontier have been so heavily fortified by Russia as to be impregnable. Finally great progress has been made with the auxiliary railway which is to run from north of Lake Baikal to the east until it reaches the Pacific. This line, which would make an invasion of Siberia by the Japanese an extremely doubtful military adventure, is either completed or is nearing completion. In all the circumstances Japan could be of little aid to Germany.

Foreign authorities believe that the anti-Communist pact between Germany and Japan is an indication that Japan has become panic-stricken at the rapidly growing power of the Soviet Union in the Far East. She is desperately afraid that she will lose "Manchukuo" and, perhaps, Korea. Knowing that no other country was anxious to conclude any agreement with a country which had been publicly pilloried as a treaty-breaker, she turned to one of those which had committed a similar offence. Perhaps also she is still under the influence of the spell which caused so many of the Japanese militarists to lament during the World War that she was not fighting with, instead of against, Germany. Becoming frightened at her isolation, Japan was anxious to clutch any hand, though it might be powerless to help her.

Japan in Panic

That Japan is really suffering from nervous tension is obvious. Eighteen months or two years ago the Japanese militarists seemed disposed to provoke trouble with Russia. At that time Russia was anxious to avoid war at almost any cost. She sold the Chinese Eastern Railway to Japan in order to consolidate her position on the frontier. Some hold that the U.S.S.R. maneuvered Japan into purchasing the railway—which the former could not defend if hostilities broke out. At all events the sale, though it was immoral and illegal as China was not consulted, gave Russia a breathing space during which she so increased her forces and defences in eastern Siberia that she is said to be now prepared to cope with any offensive on the part of Japan without transferring troops from the West. Whereas formerly "border incidents" were almost openly engineered by Japan and occurred almost weekly, they have now become few in number and unimportant. This proves that even the Japanese militarists, who are notoriously slow to recognize realities, are aware that they would be facing a very difficult problem if they confronted Russia in the field.

Against the fact that the U.S.S.R. has become much more powerful in the Far East, must be set the fact that Japan has also strained every effort to increase her armaments, and has been spending much more than she can afford on her army and navy. But the army has infinitely heavier responsibilities than before 1931. Japan has pledged herself to defend "Manchukuo." She has detached portion of Chahar from China, and this necessitates maintaining an effective military force within striking distance to guard against contingencies. The Japanese garrison in North China has been trebled. Large forces have to be kept in Manchuria, not only to protect the Three Eastern Provinces from attack from without, but to cope with the Chinese volunteers who refuse to be vanquished. The Kwantung Army has hoisted Japan upon the back of a tiger, and she can neither get off nor choose the direction in which she is taken. In considering the force that Japan could put into the field, the "Manchukuo" army has, of course, to be taken into account. It is a moot question, however, whether it would be a help or a hindrance in actual war. In the hostilities in Suiyuan towards the end of 1936 the troops trained and officered by Japanese made a very poor showing. They were defeated time after time by Chinese provincial troops. Besides the doubtful quality of the "Manchukuo" troops, their loyalty to their Japanese masters could not be relied upon.

The issue between Japan and Russia will be settled by the land and air forces, and not upon the sea. But it is interesting to recall that the Soviet Union, when discussing a naval agreement with Great Britain, insisted upon retaining a free hand in the Far East. It is certain that Russia has an ambitious building program that has already been partially put into effect. An undisclosed number of powerful submarines are based on Vladivostok which could harry Japanese merchant shipping and make a naval attack on the port a dangerous adventure. If the Russo-Japanese war can be staved off for a few years, Russia will probably have a powerful naval force in the East as well as in the West.

Japan Compels Naval Race

Although the Washington and London naval treaties confirmed Japan's supremacy in the Pacific, amazingly enough it was Japan who denounced them and thus brought to an end a fifteen-year truce. This action on her part, though not defensible on commonsense grounds, was not unexpected. The London naval pact of 1930 was bitterly resented by the Japanese naval authorities. By some peculiarly Japanese process of reasoning, the ratio of 5 :5 :3 originally agreed upon for the navies of Great Britain, the United States and Japan was held to be "humiliating." Japanese navy men refused to take into consideration the fact that the United States had to protect herself on two oceans, and that Britain had to protect her trade routes and possessions all over the world. The childishness of the plea that Japan had been "humiliated" was palpable to everyone. But Japan, comparatively a newcomer among Powers of first class consequence, suffers from what in the jargon of to-day is called an "inferiority complex." In ordinary life it not infrequently happens that a man who is newly admitted to society to which he is unaccustomed, is unduly sensitive and imagines affront when none is intended. Gaucherie of that kind can usually be tactfully ignored, but unfortunately Japan's hurt pride has led her to bid defiance to the world and to invite—almost compel—a naval rearmament race.

Who will be the chief sufferer? If Japan maintained her navy at its present ratio of strength she would still be supreme in home waters. But only if the restrictive treaties remained in force. Now that they have become inoperative, on Japan's initiative, she will be forced, despite her desperate financial position, to enlarge her navy to an unforeseeable extent. Great Britain, as a beginning, is laying down four battleships which will be completed in 1939 or 1940. The United States, to preserve the existing parity, will also lay down four battleships, or perhaps more as she is behindhand with her building program. The United States keeps the bulk of her navy in the Pacific, and she will probably add most, if not all, of the new tonnage to her Pacific squadrons. France will undoubtedly send some of the vessels now, or soon to be, under construction to the Far Eastern station.

Britain, the Mediterranean issue with Italy having been settled, is likely in time to base a battle fleet upon Singapore. Holland, Canada and Australia are already increasing their naval forces in the Pacific. Should a naval clash occur on that ocean, it is absolutely certain that Japan would stand alone, and her ultimate defeat would be inevitable. She could never gain by force the supremacy which has hitherto been hers by virtue of the naval treaties that she has denounced. Britain is also increasing her air fleets at Penang, Singapore and Hong Kong. The latter colony is to be heavily fortified, the restriction on fortification having been removed—as a direct consequence of Japan's action in denouncing the treaties. The more the matter is studied the clearer does the truth appear of the old adage that those whom the Gods have decided to destroy they first make mad. Japan had everything to gain and nothing to lose by maintaining the naval treaties. So she denounced them!

Possibly, if Japan had avoided attracting attention after her misguided adventure in Manchuria, the keen edge of the world's resentment would have gradually worn off. But instead she has since been arrogant and offensive. General Araki, when Minister of War, spoke openly of Japan's mission to drive Occidental nations out of Asia. Assaults upon Chinese and foreigners by the Japanese soldiery in North China, and by the Japanese Naval Landing Party in Shanghai, have become so frequent as almost to pass unrecorded. The brutal ill-usage of British blue-jackets in Formosa in 1936 was an indication of the contempt for Occidentals that has been inspired by the Japanese military. This, of course, is due to the doctrine persistently preached by the Japanese militarists that the Japanese are the chosen people, and consequently superior to all other races.

What Japan Has Done

The action that Japan took in Manchuria in 1931 encouraged those European nations which were restive under treaty restraints, and alarmed the others who had until then believed that all would be bound by engagements into which they had entered. Reliance upon the sanctity of treaties, upon collective security, upon the continuance of peace was shattered as a consequence of blindly believing that an unscrupulous Oriental nation would be a supporter of the new world morality.

To sum up: Japan is responsible, by reason of her violation of treaties in 1931, for the atmosphere of fear and distrust in which the world is enveloped. Japan is responsible for Germany's defiance of the Treaty of Versailles. Japan is responsible for the conquest of Ethiopia by Italy. Japan is responsible for involving the whole world in a terrific rearmament race. Japan is responsible for the lapsing of the Washington and London naval treaties which made the Pacific peaceful in reality as well as in name for fifteen years.

The grave of Japan's international reputation for good faith was dug by the bayonets of her military in 1931. Can she, in spite of moral delinquency and inadequate material strength, survive as a Great Power? The answer to that pregnant question has been suggested in the foregoing pages.

Land Administration Society of China Recommends New Registration Procedure

How can the tiller of the land be assured of undisturbed possession? This problem was the subject of animated discussion at the second session of the fourth annual meeting of the Land Administration Society of China held in Tsingtao, Apr. 4. It was finally decided that a resolution on this subject be drawn up by the Presidium for further consideration and adoption.

A decision was reached to recommend the Government to adopt the following procedure for the registration of land values:—

1. Land values are to be declared by the landowners. Before the declarations are made, however, a standard value may be recommended by the official land organ for the information and guidance of the landowners.
2. In declaring the value of their land, the landowners may deviate within a reasonable limit from the standard announced by the official land organ.
3. When a landowner fails to submit a declaration, the standard value announced by the official land organ should be regarded as the value of the land concerned.

At the final session of the Society on April 6 the following resolution was adopted: "In order to realize the principle that the tiller should own the land he tills, the following measures should be adopted:

"1.—The Government should issue Land Bonds for the exporpriation of the land of absentee owners and for the gradual expropriation of farms not tilled by the owner. The land thus expropriated is to be utilized for the establishment of farms to be owned by the tillers.

"2.—Farms owned by the tillers should be established in the light of local conditions and the nature of the land; and the size appropriately fixed. The must not be split up or transferred to non-tillers. The maximum limit of the tillers' obligations should be made clear.

"3.—The reclamation of waste lands, improvement and reallotment of land already under cultivation, promotion of the revised Land Value Tax and establishment of land banks and rural cooperative societies are indispensable measures for the establishment and maintenance of tillers' farms. These measures should be enforced without further delay."

Tientsin Prohibits Permanent Land Leases to Foreigners

The Tientsin Municipal Government has issued orders to its subordinate organs, prohibiting the granting of permanent land leases to foreigners by Chinese land owners. The step was taken as a sequel to recent reports that several foreigners under Chinese names, had secured permanent land leases from local property owners in defiance of Chinese law.

University of Nanking Investigators Report on Land Utilization in China

"Land Utilization in China" is the title of a report made by 300 trained investigators under the supervision of Dr. John Lossing Buck, Professor of Agricultural Economics of the University of Nanking. The report is scheduled to appear in book form (three volumes) about June 15.

The report represents eight years' of intensive research into the basic questions of farming, population, food supply and rural standards of living. Rural China has been divided into a number of natural and economically significant regions and sub-regions. Data have been collected from approximately 17,000 farms in 168 localities, and from 46,601 farm families in 101 localities in 22 provinces. The investigators were mostly graduates of the College of Agriculture and Forestry, University of Nanking, and specially trained to undertake this investigation.

The idea of a study of land utilization in China was first suggested by Dr. O. F. Baker of the Department of Agricultural Economics, United States Department of Agriculture, at the Conference held at the Institute of Pacific Relations in Honolulu in 1926. Later, when Dr. J. B. Condliffe, Research Secretary of the Institute of Pacific Relations, visited China in the winter of 1928, he and L. T. Chen, Secretary of the China Council of the Institute, visited the University of Nanking. The present report grew out of plans formulated at that time.

New Director of Central Party Publicity Censorship Bureau Stresses Quality of News

Peng Keh-chen was appointed April 1 Director of the National Press Censorship Bureau in succession to Ho Chung-han. Beginning on said date press censorship was undertaken by the Central Party Publicity Department, instead of by the local military organs. Shao Li-tzu, Director of the Central Party Publicity Department, in an interview said he favored the adoption of a liberal policy in press censorship, but in order to enhance the value of newspapers, more attention should be paid to the quality of their news.

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Putting the Russian Revolution Under the Sod

(The Chicago Tribune, March 8)

Stalin's government is now moving to its third great purge and liquidation. The first, with its trial before the military collegium was last summer when Zinoviev and Kamenev and fourteen others of the first Trotzyite center were heard, condemned and executed. The second was the trial in January, this year, of Radek, Piatikov, Sokolnikov, and fourteen other alleged conspirators of the reserve or parallel center who were tried, condemned, and all executed except Sokolnikov, Radek, Arnold, and Stroilov.

The trial of Zinoviev and his associates plainly indicated what the fate of Piatikov and his associates would be. The trial of the leaders of the Piatikov reserve Trotzkyite center was indication enough in turn of what would be the next step. Zinoviev and his associates implicates Piatikov and his companions. Piatikov, Radek et al. implicated the leaders of another center, known as the right, and headed by Alexis Rykov, who for ten years was chairman of the council of people's commissars, and Nikolai Bukharin, former editor of the government newspaper, *Izvestia*. The transcript of the testimony at the January trial contains many references to the activities of Rykov, Bukharin, and Tomsky, who were said to be under the direction of Trotzky and engaged in the organization of terrorist acts—diversive acts, as the comrades call them.

Rykov and Bukharin were expelled last week from the communist party. Expulsion is the ordinary first step on the way to the firing squad. If the usual procedure is followed the accused will be prepared by secret hearings for the public trial before the military collegium of the Supreme court and then will probably add to the record of astonishing confessions of acts undertaken for the liquidation of the Stalinites, for the return to capitalism and the exposure of Russia to partition by Japan and Germany.

What happens in these secret sessions of the prosecution, where the record is prepared for the public trial, contains the explanation of the behavior of the accused when they are subjected to examination before the world. Nothing that goes on at the public hearing indicates that the accused are being denied a fair trial, although the procedure is strange to our civilian courts. There is a great deal of explaining of psychological moods, temporary mental infirmities, darkened consciences and mistaken zeal for principles.

The proceedings in camera contain the secret of the victims' strange attitude. They in public deny that any force or threats induced them to make the full and explanatory declaration of the murders, assassinations, wrecking operations, and betrayals in which they were engaged. Every confession alleges that Trotzky directed the sabotage, the killings, and the intrigue with Germany and Japan and that he had laid before the German and Japanese governments the plan to seize the Ukraine, Sakhalin, and the valley of the Amur.

These trials have had the result of blowing up the communist front in the United States, if not in other countries. The American friends of soviet Russia and many of our self-styled intellectuals and forward-looking liberals who had great admiration for soviet Russia have been unable to stand up under the explosion of the Russian scheme. No matter what side they take, whether they are Stalinites or Trotzkyites, they observe the fragments of a Utopia in which there is either an unbelievably brutal government or an equally unbelievable outfit of terrorists, assassins, or traitors, or both, all of whom had been trained to serve the ideals which our Moscow looking intellectuals have regarded as exalted. Our American Trotzkyites tried to rally in a movement for the world justification of their hero now in Mexico, but the purification does not get very far ahead. The testimony against him was given by his closest friends, former companions and political associates, and they supplied detail after detail. His answer is no, but his friends say yes, turn against each other and are liquidated. Stalin soon will be the last of the old Reds in Russia. The revolution is under the sod.

***

TROTZKY IN HIS OWN DEFENSE

(The Chicago Tribune, Mar. 12)

Leon Trotzky, now one of the few survivors of the Lenin revolution, as an exile in Mexico is at work, according to a news report, preparing his defense against the revelations made by his former associates, the men of the various Trotzkyite centers in Russia who were brought to trial and condemned for conspiracies to wreck the Russian industrial and transportation plan, to assassinate the Stalinite members of the party and the government, and to bring in Japan and Germany to partition the soviet republics. Trotzky had appealed to his friends in the United States and elsewhere to procure for him a trial before the eyes of the world—but safely out of the hands of the commissars—to disprove all the charges brought against him.

His American friends were willing to sign their names to petitions and even to raise a bit of money. But there were many difficulties in the way of organizing such a peculiar judicial undertaking, and Trotzky now says he will try himself. An accused communist, charged with wrecking operations, could not ask for a court less prejudiced against him than one composed of himself. A great many people will be glad to hear from Trotzky. Russia's place in coming world events is uncertain. What has been happening in Russia is clouded in controversy. If the truth is what the accused said it was, Trotzky tried to start a great war, and to do so was in direct communication with the German and Japanese governments while his groups of conspirators in Russia were wrecking plants and defeating productive plans.

Trotzky must impeach the testimony of his old friends and associates. It will not suffice to do so by saying that the testimony was false and produced by terrorism and torture. If false, it was so carefully fabricated that the various accused corroborated each other in detail and, each telling of his own activities, contributed his part to make the complete pattern and entity of the conspiracy. Trotzky might produce proof that Piatokov did not visit him in December, 1935, in Oslo, when he was in refuge here. It has been denied that any airplane from Germany made such a trip as described by Piatokov.

With proof that there was no such meeting as this at which Piatokov said he got his "directives" from Trotzky, the story of the greatest conspiracy of these days might begin to fall to the ground. Proof that Vladimir Romm, the Tass agency correspondent, formerly in Washington, did not carry three letters to Piatokov from Trotzky on the three occasions mentioned in the testimony would further shake the otherwise undisputed confessions. Romm said he brought the letters. Piatokov said he received them and acted upon them.

There will be a place in history for Trotzky's defense of himself. The soviet indictment of him is full of particulars, and Stalin has saved some of his accusers, including Radek, apparently for future use. The dictator was not so foolish as to kill all the alleged conspirators and forever silence these tongues of guilt. Some are preserved to testify again.

Soviets Still Ready to Discuss Non-Aggression Pact

Soviet Russia is still prepared to consider the conclusion of a non-aggression pact with Japan, Constantin C. Yureneff, Soviet Ambassador to Japan, declared at Tsuruga April 13 on his return from a prolonged furlough in Moscow. "Since we once made an offer for such a treaty, we do not intend to take up the matter actively, but if the Japanese Government desires to discuss it, we are prepared to give the matter due consideration," he said.

Red Army Demands Abolition of Special Secret Service Troops

A conference of the highest leaders of the Soviet Russian army has was held in Kiev, April 6 as a consequence of which the War Commissar, Marshal Voroshilov, has presented the clearly formulated wishes of the Red Army to M. Stalin. The conference designated as insufferable that the GPU should continue a separate army with a strength of almost 250,000 men with artillery, aircraft and tanks, as created by the GPU chief, M. Yagoda, who was has since been arrested.

The Soviet Government April 8 ordered a "clean-up" of trade unions "from top to bottom" to eliminate embezzlers, counter-revolutionaries and advocates of capitalism.

Three modern Russian novelists, Pickel, Makarow and Paul Vassilev, were arrested April 9 as being enemies of the people, according to an announcement made at the Congress of Soviet Authors. Vassilev is accused of having planned an attack on M. Stalin.

Is Moscow Changing Policy Towards Germany?

The recall to the Soviet Union of M. Potemkin, Ambassador of the U.S.S.R. to Paris, has aroused considerable comment in Paris. The opinion is frequently expressed that this move undoubtedly indicates a change of policy on the part of Moscow, insofar as its relations with foreign countries are concerned. Some type of a rapprochement with Germany is thought likely, according to *Havas*.

Soviet Dictator Marries Again—Bride Comes from Georgia

Joseph Stalin was married again April 9, the Soviet dictator's new wife being Dora Chosen who is said have been born in Georgia.

When M. Stalin's former wife Rosa Kaganovich fell from grace and was divorced by him, an end was put to one of the most amazing love affairs in Russian history. M. Stalin's former father-in-law, Kaganovich, has in the meantime also fallen in disfavor and is said to have been arrested.

Soviets May Cut Trans-Siberian Connection at Manchuli

Retaliating for the alleged mistreatment of Soviet citizens in Manchuli, the Molotov Railway Administration may stop its trains from coming into the Manchurian city to connect with the North Manchuria Railway on or about May 1, the Kokutsu *News Agency*

reported April 12. This would force persons intending to travel from China and Japan to Europe by way of Siberia to proceed by way of Vladivostok.

Soviet Policy "Peace, But" Says Yureneff

Constantin C. Yureneff, Soviet ambassador to Japan, who is returning to his post after a prolonged visit to Moscow, stated while enroute at Seishin, Korea, April 12 that while maintaining at presents its policy of peace with Japan unchanged, the Soviet Union "cannot guarantee that it will always remain so, depending upon the attitude of the Japanese Government."

Japanese News Agency Says Vladivostok Is Building Large Warships

Reports of hurried construction of large-size warships in Vladivostok have been received by Japanese military circles in Hsinking, the Kokutsu *News Agency* stated April 11. The Soviet Pacific Fleet, the reports allegedly said, at present has 177 ships, most of which are of small tonnage. The Soviet authorities have, therefore, according to these reports, embarked now on a construction of cruiser-type vessels. Of the Soviet Union's 125 submarines, 50 are stationed in the Far East, the news agency said. Of the latter number, 10 are ocean-going ships.

Three Years' Imprisonment for Japanese Who Attempted to Sell Documents to Soviet Embassy

First Class Private Ito, 25, on the reserve list, of Yanakawa village, who had stolen some 20 sheets of documents containing military secretary secrets from the house of his brother-in-law who works for the Army Chemical Institute and had been arrested while negotiating with the military attache of the Soviet Embassy last May was sentenced to three years' imprisonment with hard labor April 5 by the Tokyo District Criminel Court.

Nanking and Moscow to Negotiate Commercial Agreement

The *Shanghai Mainichi* April 7 stated that negotiations for the conclusion of a Sino-Soviet commercial agreement are now proceeding simultaneously in Nanking and Moscow, following the return to this country of D. Bogomoloff, the Soviet Ambassador. Teng Wen-yi, one of Gen. Chiang Kai-shek's closest supporters, who is now in Russia, is in charge of the Moscow end of the negotiations. The question of Outer Mongolia is believed by the *Mainichi* to be figuring prominently in the parleys, it being the desire of the Soviet Union to extend her economic activities in North China with the Outer Mongolian territory as a base. Nanking, it is reported is amenable to such an arrangement, seeing therein a means of blocking Japanese economic activity in North China.

A dispatch from Shanghai in the Tokyo *Hochi* April 2 reporting the return from Moscow of Soviet Ambassador Bogomoloff to Shanghai, stated that M. Bogomoloff denied that any Sino-Soviet negotiations other than concerning a commercial treaty, but according to reliable information ,the conclusion of a commercial treaty was only a matter of time while the military and political agreements to be attached thereto will be negotiated with the Nanking Government. As contact with Britain will also be necessary, these agreements are expected to take some time. Meanwhile the Soviets are, the dispatch continued, decided on the following course: Compromise between the Central Government and the Communist Party should be urged, for which the demands of Nanking be accepted and the Communist Party be prepared to agree to being disarmed and transferred; the Soviets should strive to draw closer to China through commerce and culture; Bolsheviks from Moscow should worm into the cultural systems of China and secure dominance over the ideology of the masses; a general anti-Japanese policy to be strengthened among junior officers of the Chinese Army.

D. Bogomoloff, the Soviet Ambassador, paid an official call on Dr. Wang Cnung-hui, the new Minister of Foreign Affairs at Nanking April 8.

Kwangsi Paper Reports Kuomintang-Communist Compromise Partly Settled

The Chinese Communist Army has not yet accepted the four terms laid down by the Central Government at the recent 3rd Plenary Session, notwithstanding reports to the contrary, a Shanghai message dated Mar. 27 in the Kwangsi Kweilin *Jih Pao* stated. Negotiations, however, are being continued concerning the disbandment of the Red Army and the abolition of the Chinese Soviets. A compromise in this connection has been partly arrived at. According to well-informed circles, the Communists are willing to effect the cessation of anti-Chiang and anti-Nanking movements as an alternative for a joint struggle against Japanese aggression.

Commenting on the situation in the Northwest, the *Ta Kung Pao*, in an editorial on April 9, urged the speedy settlement of the question of the Chinese Reds in Northern Shensi.

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Who Would Think She Is Forty!

The Secret of Keeping Young.

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Dr. Williams' Pink Pills.

Details of Capital Invested by Japanese Steel and Iron Industry in Manchuria

A Changchun message to the *Shun Pao* April 9 pointed out that Japanese investments in Manchuria have been concentrated in the steel and iron industry in the Anshan district. More than ten new factories for the manufacturing of iron and steel have been opened with a capital ranging from 100,000 yen to 10,000,000 yen, among them being: (1) The Manchu Sumitomo Steel Tube Company. Capital 10,000,000 yen. Annual production 35,000 tons; (2) Manchu Roll Manufacturing Company—Capital 2,000,000 yen.—Annual production 50,000 tons; (3) The Anshan Steel Material Company—Capital 5,000,000 yen—annual production 35,000 tons; (4) Manchu Steel Manufacturing Company—Capital 5,000,000 yen; (5) Nippon-Manchu Steel Tube Company—Capital 5,000,000 yen; and (6) Manchu Kuboda Steel Tube Manufacturing Company—Capital 1,000,000 yen.

S.M.R. Employees to Learn Use of Arms

About 50,000 men and women employed by the South Manchuria Railway Company in the new Empire will be taught the use of fire-arms under a decision reached by the executives of the Yen 800,000,000 concern in Mukden April 7.

S.M.R. Buys Soviet Consulate Building in Seishin

The South Manchuria Railway Company April 9 purchased the building once occupied by the Soviet Consulate-General in Seishin for Yen 66,000. The premises, standing on the waterfront, will be formally transferred to the new owners on April 17.

Brazilian Engineers Tour Manchukuo

Led by Prof. Ruy Mauricio de Lima Silva, 11 graduates of the engineering department of Rio de Janeiro University arrived from Hsinking at Anshan, April 7, where they inspected the plant of the Showa Steel Company.

Manchukuo Officers Proceed to Japan on Inspection Tour

Twenty-three picked Manchukuo Army officers departed this week from Dairen for an inspection tour of Japan. The group is led by Major-Gen. Chang Yao-ting and Lieut.-Col. Mikio Kaetsu, Japanese adviser to the Manchukuo Ministry of Defense.

Japanese to Renew Suiyuan Invasion in May?

A big drive will be launched by the "Manchukuo" irregulars on Suiyuan early in May, according to a high official who arrived in Kweihua April 5 from Inner Mongolia. The official denied that an independent government has been established in Inner Mongolia.

Manchukuo to Inaugurate "Real Life" Movement

With a view to bringing the population of Manchukuo into step with the times, the Cosmic Society at Changchun has drafted a set of 17 regulations for a so-called "Real Life Movement."

Fourteen Chinese Patriots Executed in Manchukuo Capital

A recent Tientsin message to the *Shih Shih Hsin Pao* stated that a total of fourteen of the 100 Chinese patriots, who were arrested in Changchun some-time ago, were given the death penalty April 10. In addition, 47 were given prison terms. The others were freed.

"Bandits" Fire on Japanese Consulate and Burn Down School

A telegram from Harbin April 5 to the Tokyo *Nichi Nichi* reported that Communist bandits had attacked Linkow and fired on the Japanese Consulate. The Japanese primary school was burnt down.

Japanese Say Families of Tungpei Soldiers Want to Return to Manchuria

According to the statement of a prominent official of the former Tungpei army, quoted by the *Shanghai Mainichi*, the families of soldiers belonging to that force who are now domiciled in the provinces of North China number approximately 35,000 persons. These people are very poorly situated and are anxious to return to their homeland in Manchuria, but they are prevented from doing so by the Nanking Government.

Manchukuo Premier to Meet Gen. Minami in Hsinking

Important conversations designed to strengthen the Manchukuo-Korean economic bloc will be held in Seoul next week between Premier Gen. Chang Ching-hui and Gen. Jiro Minami, Governor-General of Korea. Their interview, according to informed circles in Hsinking, will serve as a preliminary for a conference between the officials of the two states on the co-ordinated development of industries and natural resources.

Japanese to Become Official Manchukuo Language

A *Domei* message from Hsinking April 13 stated that Japanese will be recognized as one of the official Manchukuo languages under a new system which probably will be put into effect on May 2. The new policy, which will emphasize business education, is designed to replace that which has been in effect since the days of the former regime under Marshal Chang Hsueh-liang. Primary schools will be renamed National schools, middle schools will be known as National high schools and institutions of upper learning will be named colleges. Graduate courses also will be provided. May 2 is a national holiday commemorating the day on which Emperor Kangte issued a rescript on his visit to Japan.

Japanese Made Compulsory Subject of Chinese Schools in Manchukuo

The Japanese language has been made a compulsory subject in every school and college in Manchuria. Chinese and Japanese teachers must use Japanese in giving lessons to the Chinese students, the *Shih Shih Hsin Pao* of April 6 stated.

Dr. John E. Baker Proceeds to Szechuen to Discuss Famine Relief

Dr. John E. Baker, Executive Secretary of the China International Famine Relief Commission, arrived in Chungking April 9 and started discussions with the Chungking office of the C.I.F.R.C. for ways to relieve the famine refugees of their sufferings. Dr. Baker will spend half a month in Szechwan, investigating the drought situation and making relief plans.

Foodstuff Tax Exempted in Szechuen as Famine Relief Measure

As one of the immediate steps for the relief of famine refugees Szechuen, Gen. Liu Hsiang, provincial chairman, has ordered the exemption of foodstuff tax in the various districts until new crops are placed on the market.

In a telegram to General Liu Hsiang, Chairman of the Szechuan Provincial Government, the Ministry of Finance April 8 stated that one million dollars in bonds of the Consolidation Loan have been forwarded to the General Relief Commission for the relief of the famine victims in Szechuan.

For the relief of the famine victims in Szechuan, Honan, Kansu and Shensi, the Central authorities have so far sent remittances totalling $2,320,000 to these provinces, it was officially announced in Nanking April 8.

Hu Wen-hu, well-known overseas philanthropist, remitted $10,000 through the Bank of China in Hongkong April 8 to the Chungking Municipal Government for the relief of the drought victims in Szechuan.

Network of Granaries to Be Established in Szechuen

The establishment of a network of granaries and cooperative treasuries in Szechuen was one of the decisions reached between Wu Ting-chang, Minister of Industry, and Lu Tso-fu, Reconstruction Commissioner of the province in Chengtu April 6. Sixty per cent of the cost for the construction of the granaries, which will be undertaken jointly by the Farm Credit Bureau and the Szechuen Reconstruction Department, will be financed by the former.

Nanking Authorities Authorizes Flotation of Famine Relief Bonds

The Central Government has authorized issuance of a series of provincial bonds, the proceeds of which are to be used for drought and famine relief in the provinces marketing the issues. A bond issue of $1,000,000 has been authorized in the case of Szechwan, while Kansu and Honan have received authorizations for $300,000 in the case of each province. To meet the requirements of urgent relief, the Central Government is remitting $300,000 to North Shensi, $200,000 to Honan and $100,000 to Kansu. These remittances are being made in cash.

A sum of $100,000 has been remitted to the Kansu Provincial Government by the Ministry of Finance for urgent relief in that province, many parts of which have been devastated by bandits. The General Relief Commission has been notified of the remittance.

The drought situation is worst in western Honan, with conditions slightly better in eastern and southern Honan, according to General Shang Chen, Chairman of the Honan Provincial Government, who arrived in Shunteh, Southern Hopei, April 11, to inspect the units of the 32nd Army stationed in southern Hopei and of which he is concurrently Commander.

To avert a famine in Shensi as a result of the long drought, the Shensi Provincial Government has made an appropriation of $500,000 for the relief of the refugees in the various stricken districts of the province.

A request that a substantial amount be remitted for the relief of the famine victims in Kweichow province, was made last week by Li Tzu-wen, Special Party Affairs Commissioner for Kweichow, in identic telegrams to Central Party Headquarters, the Executive Yuan and the General Relief Commission.

Shortage of Food Supplies Again Threatens Kwangtung

A shortage of food supplies is again threatening the province of Kwangtung. On account of the opposition of the people, foreign rice was prevented from being imported into Kwangtung, and, at the same time, rice dealers in the Provinces of Kiangsu, Chekiang, Anhwei and Kiangsi have refrained from making any shipment of rice to Kwangtung as a protest against the Government's intention to permit the importation of foreign rice.

News Notes from Canton

(By the Review's Canton Correspondent)

Kwangtung officials have organized programs for the development of marine products throughout the province. Three plans have been undertaken, two involving Swatow and one concerned with Hainan Island. Government officers are now making preliminary arrangements for a Marine Products Show to be held at Swatow soon. An official of the Reconstruction Department is in charge of the project. Cooperative societies for fishermen, formed under governmental supervision, are being organized with the purpose of bringing financial aid to marine products industries along the northern coast. Two officials from the Marine Products Division of the Forestry and Agriculture Bureau have been dispatched to Hainan Island to investigate conditions in the fishing industry there.

Mayor Tseng Yang-fu will be acting Finance Commissioner of Kwangtung during the three months leave of absense granted T. L. Soong, the regular Commissioner. Mayor Tseng will take up his additional duties shortly.

Twenty-one battalions of soldiers in the 4th Route Army were disbanded on April 1 by order of General Yu Han-mow, Commander-in-Chief. The officers will receive additional training at the Military Academy and the soldiers will either be transferred to fill vacancies or will be given an allowance and sent back to their homes.

Overseas Chinese may now take advantage of a direct remittance service established by the Provincial Bank of Kwangtung. Arrangements with banks in London, New York, and Singapore have been completed and money may be sent direct to Canton without passing through Hong Kong as formerly.

Plans for rebuilding several government schools have been announced by Liu Shek-sum, Director of the Municipal Bureau of Social Welfare. The Municipal Treasury has appropriated $300,000 for the project and three philanthropists, Messrs. Aw Boon Haw, Chow Tin-bong, and Chow Min-chor have donated a total of $350,000. Mr. Liu, Lum Yat-man, Director of Public Works Bureau, and other officials will comprise a committee to take charge of the reconstruction work.

Beginning Friday, April 9, three days were set aside during which officials and public representatives paid homage to the late Provincial Chairman, General Huang Mu-sung. Flags were flown at half mast and amusements were suspended for the first day.

The Municipal Bureau of Public Health is investigating herb medicines sold in Canton in order to discover and forbid the sale of those that are poisonous. Officials are both visiting medicine shops and analyzing samples of the herbs.

April 8, 1937.

Supplementary Announcement Made Regarding Tientsin-Pukow Railway Loan Settlement

The Ministers of Finance and Railways April 2 announced in connection with the offer of settlement of the Tientsin-Pukow Railway Loans (published February 25, 1936 in London and Sept. 26, 1936, in Berlin), that as a result of an agreement reached with the Deutsch-Asiatische Bank hypothecated bonds amounting to $678,000 have been validated as essentially part of the 1910 Loan and remain pledged to the Bank as security for the advance. The remainder of the hypothecated bonds will be cancelled. The $678,000 bonds now validated will not be issued on the market at this time. No scrip is attached to the newly validated bonds. Interest payments on these bonds will constitute a charge on railway and customs revenue ranking immediately after the charge in favor of the $6,150,000 bonds; and the validated bonds will be amortized from payments from railway gross earnings additional to payments therefrom for retiring the $6,150,000. In order that payments of the scrip attached to the existing bonds may not be affected in any way, the original offer is modified by making the payments of scrip a charge on the gross earnings of the railway.

Offer Made by Ministers for Service of the Hukuang Railway Loan 1911

The Ministers of Finance and Railways April 5 announced an offer concerning the service of the outstanding bonds of the Hukuang Railway Loan of 1911 amounting to about £5,650,000, under which the interest rate paid is to be reduced in 1937-38 and the amortization plan modified. Interest is to be paid at the rate of 2½% per annum in 1937-38 inclusive and 5% per annum theareafter. Payment of interest is to be made out of net earnings of the railway and guaranteed out of salt revenue. Interest due as from January 1, 1941, is to be guaranteed also out of customs revenue with rank as of the date of this announcement. Amortization is to begin in 1941 and to be completed in 39 years from 1937 according to a table to be filed with the paying agents. Interest in arrears is to be calculated at 1% per annum simple interest instead of 5%.

In the United States Court for China

In The MATTER of A. C. ROW, BANKRUPT
IN BANKRUPTCY

Cause No. 4151
Special Proceedings No. 2030
NOTICE
Filed at Shanghai, China, The 8th day of Feb. 1937.
William T. Collins, Clerk.
L. T. Kenake, Asst. clerk.

NOTICE OF FIRST MEETING OF CREDITORS

To the creditors of A. C. Row, of Shanghai, China, a bankrupt:

Notice is hereby given that on the 5th day of January, 1937, the said A. C. Row was duly adjudicated bankrupt; and that the first meeting of his creditors will be held in the United States Court for China, at Shanghai, on the 26th day of April, 1937, at 2:00 o'clock in the afternoon, at which time the said creditors may attend, prove their claims, appoint a trustee, examine the bankrupt, and transact such other business as may properly come before said meeting.

April 8, 1937.

MILTON J. HELMICK
Judge.

In the United States Court for China

In re.
THE MATTER of GEORGE C. WORTH, Deceased.

Cause No. 4186
Special Proceedings No. 2065
NOTICE
Filed at Shanghai, China, April 9, 1937.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of GEORGE C. WORTH, deceased, to present the same with vouchers to the undersigned on or before October 17th, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

CHARLES W. WORTH,
HANGCHOW, CHINA.

Shanghai, China.

More Than a Hundred Murders Committed by Pseudo-Religious Sect in Korea

With the announcement of the suicide of Zen Togen, alias Kin Ryukai, founder of the Hakuhakukyo pseudo-religious sect, the Seoul police April 13 raised a rigid press ban on one of the most extensive heresy hunts in the history of Korea. In a special communique, the police charged the founders of the queer sect and their associates with kidnaping and murdering more than a hundred young girls. Unofficial estimates placed the number of murdered girls, whose bodies have been found, at 140, and the total of missing men and women at about 500. The crimes were laid by the police at the doors of the late Kin Ryukai, who committed suicide when the police were about to arrest him, and his two brothers, Kin Ryushu, and Kin Han-ryu. The father of the three men, Kin Tei-un, who founded another pseudo-religious sect, the Hakudo Kyo, was executed about 18 years ago on charges of having buried alive four of his mistresses who had lost his favor.

The bodies of 140 victims of the cult were said to have been recovered.

Leaders of the cult were reported to have influenced farmers to sell their lands in the hope of gaining religious happiness, then to have stolen the money, murdered the men and undesirable women and enslaved their daughters.

The Seoul police up to April 19 had exhumed 157 victims and are searching for at least 50 more. The victims were mostly girls under 13 years of age. They were enticed from their homes, outraged and then strangled. Sometimes they were buried alive.

So far 100 arrests have been made. The sect operated in the more remote areas of Central Korea.

Japanese Police Arrest Korean Youth Said to Be Revolutionary

Suspected by the Japanese consular police of being a member of a band of revolutionaries, a Korean youth aged 22, whose name was given as Ko Insho, was being held at the Japanese Consular Jail end of last week. Ko was arrested by the Japanese Consular Police soon after his arrival here from Nanking, where the headquarters of the alleged revolutionary group are said to be located. The place of his arrest was not disclosed.

Ko, the newspapers reported, joined the Revolutionary Patriots' Corps in Nanking in April 1935 and was soon sent to Manchuria, where he had formerly lived, on a "special mission." He was, however, apprehended by the Japanese authorities in Tientsin and deported from China, with a two-year ban on his return. In Korea, he is alleged to have secured a new adherent to the society, whom he accompanied to China in July last year. He reached Nanking by way of Tientsin, the reports said.

Japanese Envoys from Four Countries Meet in Berlin for Political Discussions

Great significance was attached by Reich political circles to the presence in Berlin this week of Japanese envoys to Moscow, Brussels, Prague and Vienna. Although the Japanese Embassy denied that the envoys had assembled for political discussions, informed quarters in the German capital believe that the diplomats will confer with Viscount Kintomo Mushakoji, Ambassador to Germany, on the current situation in Europe.

The convocation of an International Economic Conference and the latest developments in Europe are reported to have been discussed at a secret meeting in Berlin April 6 of the five Japanese envoys to European capitals.

Japanese Official Goes Mad in Berlin

After a dramatic scene at the Japanese Embassy in Berlin, Mr. Noishiki, Secretary of the German-Japanese Society, was taken to the Witenau Asylum, having suddenly lost his reason, April 8. In a fit of insanity, Noishiki smashed with a Japanese sabre the furniture of the German-Japanese Society, whereupon he phoned to the Embassy, asking for an Interview with the Ambassador, Kintomo Mushakoji, who had left that day for Bonn to address the Congress on Nipponism, now in session there.

Catholics Held in Germany on Charge of Preparing for High Treason

Glaring headlines in the German newspapers April 7 announced the beginning of a trial, before the second senate of the People's Court, of seven Roman Catholics, including two priests and two prominent members of Catholic Youth organizations, on a charge of preparing for high treason. Accused are alleged to have lent support to Communist plans for a united Communist Catholic front.

Foreign Correspondents Receive Anti-Nazi Circular in Berlin

A circular signed by the so-called German Freedom Party was received by the Berlin offices of a number of foreign correspondents April 10. The party, it claims, comprises Catholics, Protestants, Socialists, Democrats and members of the Nazi Party. It seeks to "struggle against the economic policy of self-sufficiency which is ruining German trade," and demands fair wages for all, protection for every religion, non-political justice, and freedom of speech and writing.

Japanese Minister Protests Against Idle Talk Regarding Southward Expansion

A strong protests against "idle talk of southward expansion" was uttered in Tokyo April 11 by Kazue Kuwajima, the newly appointed Minister to the Hague, on his return from a month's trip to the Netherlands East Indies. Such talk, he declared, serves no good purpose and only arouses misunderstanding abroad. The people of the N.E.I., Mr. Kuwajima said, are watching Japan's so-called southward expansion policy with wary eyes. "This shows," he said, "that there is need for demonstrating the true nature of this policy by peacefully co-operating with the people of the N.E.I. in the economic development of the islands. All enterprises must be conducted by the Japanese only jointly with the people of the Netherlands. The latter, I am sure, will willingly permit the Japanese to launch on enterprises mutually beneficial."

The Tokyo *Asahi* April 5 stated that the Japanese Government has decided to sanction the southward trip of Admiral Seizo Kobayashi, Governor-General of Formosa, which the Admiral had long desired to make in an effort to exchange courtesies with the officials and private people of the South Seas areas and dispel any suspicions attached to the peaceful southward expansion of Japan.

Sumatra Colonization Company Has Japanese as Principal Shareholder

The *Tokyo Chugai Shogyo Shimpo* April 2 stated that the Sumatra Development Company has decided to establish an independent whaling company to engage in whaling activities by incorporating the whaling enterprise of Sumatra into the new firm. This company recently obtained the permission of the Ministry of Agriculture and Forestry for building whalers in preparation for its whaling advance to the Antarctic Ocean. The proposed company will be named the Antarctic Whaling Company to be inaugurated in June. The capitalization of the company will be either Yen 15,000,000 or Yen 20,000,000, of which one-fourth will be paid up in the initial stage. The large part of the shares of the new company will be monopolized by Mr. Yamaji, President of the development company and his relatives.

"The Secret Code"—A Thrilling Kuomintang-Sponsored Film to Be Shown in Shanghai

"The Secret Code," a thrilling film produced by the Motion Picture Studio (sponsored by the Kuomintang) will be exhibited at the Grand Theater in Shanghai April 18. It deals with the life of undercover revolutionary workers who took part in laying the groundwork for the Northern Expedition of 1926 and 1927. The story of the picture revolves around four secret agents, who were sent by the Kuomiutang to the Northwest to organize revolutionary activities after the Northern Expeditionary Forces had captured Wuchang in 1926. The men were given a secret code for important messages. Arriving at the capital of the Northwestern province, the four went to see a veteran Kuomintang leader, who advised them to see the governor of the province before undertaking the work of party organization.

Meantime, one of the agents, Li Cheng-jung, fell in love with pretty Miss Wu Kueh-chen, who was sympathetic with the revolutionary doctrines. Three of the agents were arrested and tortured. The finale was furnished when the fugitive agent obtained aid from nearby revolutionary troops, who captured the city and marched into the town with banners of the Kuomintang emblem flying.

American Foreign Trade Week Will Be Observed in Shanghai

American Foreign Trade Week will be observed in Shanghai from May 16 to 27. Numerous local trade organizations, including the American Chamber of Commerce, offices of the United States Commercial Attache and Chinese-American Trade Council, are co-operating to sponsor the project. The entertainment committee is headed by U. S. Harkson, Managing Director of Henningsen Produce Company, and George F. Sheelden, Vice-President and Representative for China of R.C.A. Communications.

Former Postal Officer Has Salary Cut as Punishment for Corruption

Liu Shu-fan, formerly Director-General of the Postal Remittances and Savings Banks, having been found guilty of corruption, the Central Committee for the Disciplinary Punishment of Public Functionaries last week ordered that his salary be reduced 10 per cent for a period of two months.

Chiao-tung University Celebrates Forty-First Anniversary Quietly

Chiao-tung University celebrated its 41st Anniversary April 8 in a quiet manner. Owing to the fact the freshmen have to go to the summer camps in early May, the University did not declare any holiday as was the practice in former years. In the afternoon a ceremony was conducted by President J. Usang Ly to break ground for the construction of the Electrical Engineering and Physics Laboratory, part of which will be devoted to the testing of X-rays. After the ceremony a reception was given to the alumni.

Excellent Results from Free Mass Education

Since the enforcement of free mass education, 12,000,000 adult illiterates have been attending classes in various supplementary schools established by the local educational authorities, according to statistics compiled by the Ministry of Education.

On the general principle that the main object of the middle school is to prepare students for entrance to college, the Ministry of Education is devising measures for shortening the present secondary courses offered by junior and senior middle schools. At the same time, the methods of instruction will also be revised, and special facilities offered for the training of specially talented students.

"Kneeling and Crying Corps" Asks Liu Cheh to Accept Presidency of Northeastern U.

As a sequel to the resignation of Chow Chin-wen, Executive Secretary, the faculty and administrative officials of the North-Eastern University have formed a committee to carry on the work of the University pending the arrival of Liu Cheh.

The students of the Northeastern University in Peiping have organized a "kneeling and crying corps" for the purpose of inducing Liu Cheh to accept the Presidency of the University.

Chu Cheng Proceeds to Peiping to Readjust Law School Affairs

Chu Cheng, President of the Judicial Yuan, and Chang Chih-pen, noted jurist and one of the drafters of China's Draft Constitution, proceeded to Peiping last week to readjust the affairs of the Chao Yang Law College, which is one of the oldest educational institutions of its kind in China.

Kwangsi Village Establishes School to Perpetuate Memory of Taipings

To perpetuate the memory of the great Taiping revolutionary uprising (1850-1864 A.D.), a school has been established by the people of Kwangsi at Kintien village, in Kweiping district, southern Kwangsi. Initial expenses for the school have been granted by the Kweiping District Government.

Shanghai Educational Committee Recommends Handing Two Schools to Private Control

The Special Educational Committee on Foreign Schools of the Shanghai Municipal Council issued its report last week. The Committee expressed the opinion that it should be possible for two of the foreign schools to be handed over to private control to be operated by national communities for the pupils of the larger national groups. In the five foreign schools there are 724 British, 112 American, 42 Japanese and 32 German pupils. Of the total of 1,601 children in the foreign schools it would probably be necessary, it was said, for the Council to continue to provide direct education for approximately 700. These 700 are made up of numerous different nationalities which are in most cases not sufficiently numerous nor sufficiently organized to operate national schools. Unless some amalgamation is effected with the existing Cathedral School, the British community, if the plan suggested proves acceptable, would appear to require two buildings, one possibly in the Western District and one in the Northern District. Two of the Council's foreign schools might possibly be handed over to the British community on long lease. The American, Japanese and German pupils in Council schools could probably be accommodated in the schools already established by these communities. Children of Jewish extraction might join the Jewish School. The Committee felt that the Council would probably find it necessary to continue to provide direct education for some 700 children.

The Committee expressed the opinion that grants-in-aid should be distributed on some formula taking into consideration the rates paid by national groups, and taking also into consideration the numerical size of such groups and other relevant circumstances. Should there be no reduction in the amount expended on foreign education, and if taxation only was taken into account, the amount available by way of grants to the three largest communities to assist them in running their national schools would be approximately: British, $314,000; Japanese, $137,000; American, $116,000. In allotting grants to schools an important consideration also should be the number of children of residents and ratepayers in each case, the Committee suggested.

In the United States Court for China

ARTHUR PETERSON, Plaintiff,
vs.
EDITH ETHEL PETERSON, Defendant.

Cause No. 4187
Civil No. 2066
ORDER
Filed at Shanghai, China, April 12, 1937.
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

ORDER.

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by his attorneys, has this 10th day of April, 1937, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 10th day of April, 1937, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 10th day of April, 1937, Arthur Peterson, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has she been within the jurisdiction of this Court during the last year previous to the 10th day of April, 1937;

NOW THEREFORE it is this 12th day of April, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 1st day of May, 1937, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

MILTON J. HELMICK,
Judge.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

The National City Bank of New York, Rates of Exchange
Shanghai, April 14, 1937

Demand selling rate on America:	U.S. $1.00=Sh. $ 3.36
Demand buying rate on America:	U.S. $1.00=Sh. $ 3.34
Demand selling rate on London:	£1.0.0=Sh. $16.51
Demand buying rate on London:	£1.0.0=Sh. $16.37

New Bank in South China to Have $10,000,000 Capital

To finance economic reconstruction in South China, a South China Commercial Bank to be capitalized at $10,000,000, is being organized by leading financiers in Canton and Hongkong. It is reported that as soon as the capital is subscribed by its promoters and the general public, the bank will be inaugurated in Canton.

Szechuen to Get $5,000,000 Finance Corporation

Arrangements hvae been made for the flotation of a $5,000,000 finance corporation for Szechuen province. This new financial enterprise is the result of negotiations conducted between Liu Hang-chen, director of the Finance Department, and Lu Tso-fu, director of the Construction Department of Szechuen province, on the one hand, and Hsu Kan, Vice-Minister of Finance in the Nanking Government, on the other.

South Sea and Kiangsu Banks to Expand Business in Anhwei

To expand their business in Anhwei, the China and South Sea Bank and the Kiangsu Bank will shortly open branch offices at Wuhu.

Chung Hwa Book Co. Will Print Money for Anhwei Bank

The Chung Hwa Book Company, publishers and printers of Shanghai, has been awarded a large order from the Anhwei Local Bank for the printing of $2,500,000 worth of subsidiary notes. These notes, which will be placed in the custody of the Central Bank of China when ready by the end of the current month, will be circulated in Anhwei early next month.

Budget of Kiangsu Provincial Government Balanced at $32,248,703

The Provincial Budget estimates of Kiangsu for the 26th fiscal year (July 1, 1937-June 30, 1938), balanced at $32,248,703, were adopted at a meeting of the Kiangsu Provincial Government Committee in Chinkiang April 9. Through financial readjustment, the income derived from the Farm Tax and Business Tax shows a big increase over that of the preceding year. The expenses for reconstruction, education and public safety are the largest items among the disbursements.

Japanese to Station Financial Commissioner in Shanghai

The Tokyo *Nichi Nichi* April 7 stated that the Tokyo Finance Ministry has decided to restore the system of stationing a financial commissioner at Shanghai with a view to promoting readjustment of Sino-Japanese economic relations. The financial commissioner to be appointed will be a man of Chokunin rank in the same way as the financial commissioner to Europe and the United States is.

Japan's Chemical Industry Demands an Increasing Supply of Salt as Result of War Orders

With military orders creating an unprecedented boom in the chemical Industry, Japanese Government officials, Army officers and importers have begun to draft plans for increasing Japan's annual supply of salt to 2,000,000 tons by 1942. This salt will be produced mainly in the Orient, Japan curtailing her purchases of the product in Egypt, Eritrea and the Italian Somaliland. The main producing concerns, under the terms of the five-year plan, will be the Hsingchung Kunggsu, operating in North China; the Shantung Salt Industry Company in Shantung; the Dai Nippon Salt Industry Company in the Kwantung Leased Territory and the Manchuria Salt Industry Company in Manchukuo.

The Hsingchung Kunggsu, an affiliate of the South Manchuria Railway Company exclusively exporting Changlu salt to Japan, will increase its exports from the present 50,000 tons to 500,000 tons in 1942.

The concern will appropriate Yen 200,000 for the first-year expenses in expanding the output of the Changlu fields.

The Manchurian concern will expend about Yen 30,000,000 to increase its annual output to 1,100,000, of which 800,000 tons will be exported to Japan.

The Dai Nippon Salt Company will increase its present output of 420,000 tons to 500,000 tons, of which three-fourths will be exported to Japan.

The Dai Nippon company will establish a Yen 1,000,000 firm in Tsingtao, under the name of the Shantung Salt Industry Company, to produce annually 300,000 tons, of which 200,000 tons will be exported to Japan.

With the sanction of the Ministry of Finance, the contract for the exportation of 100,000 tons of salt to Japan was formally signed at Tientsin, April 10. The first batch of salt totalling 3,900 tons was to be shipped to Japan this week.

Surtax of a Dollar Per Picul Announced on Salt

The Ministry of Finance April 13 announced the impsoition of a surtax, at the rate of $1 per picul, on salt for a period of five years. The increase, however, does not apply to salt for fishery and industrial purposes or export. The proceeds from the surtax, it was stated, will be used for various reconstruction projects which urgently require funds for their realization. It was stipulated that the collection of the surtax may be made either at the place of production or at the place of sale.

British Troops Suffer Heavy Casualties When Ambushed on Northwest Frontier

Six British officers, one Indian Commandant of a Military Hospital, two British N.C.O.'s and 20 Indian other ranks were killed and five British N.C.O. officers, two Indian Officers and 37 Indian other ranks were wounded, April 9 in an engagement on the North-West Frontier, when hostile tribesmen, (against whom the authorities recently decided to take punitive action,) under the notorious Mahsud leader, Khonia Khel, who is a follower of the Moslem firebrand, the Fakir of Ipi, attacked a supply convoy on the road from Manzai to Wana.

British Planes Bomb Shaktu Valley

A telegram from Bannu April 7 stated that the bombing of the Shaktu Valley area in Waziristan, where the British authorities had decided to suppress lawlessness on the part of hostile tribesmen, had begun on said date; meanwhile three Hindus and one Sikh had been kidnapped from a motor-lorry at Kotkwa Jomohod, three miles from Razmak. The Indian Government has forbidden anyone to enter the territory beyond Kurrangari, five miles west of Bannu, without permission.

Marquess of Zetland Makes Appeal to India

A statement was made in the British House of Lords April 8 by the Secretary of State for India, the Marquess of Zetland, appealing to the public men of India to avail themselves of the great opportunities open to them to serve the cause of orderly constitutional progress of their country.

If the decision of the Congressmen in declining office had been due to a genuine misunderstanding of the constitutional position of the Governors, he expressed the belief that, if K. Gandhi, or anyone else representing the Congress, recognizing the real constitutional position as he, Lord Zetland, had explained it, were to express a desire in these altered circumstances to see the Viceroy, the Marquess of Linlithgow, His Excellency would approach the request with every desire to reach an understanding of what the position of provincial representatives of the Congress in the matter actually was. A similar statement was made in the House of Commons by the Under Secretary for India, R. A. Butler, in the course of a reply to a question.

Japanese Ship Owners Oppose Giving Indian Conference an Official Character

Japanese newspapers, including the commercial daily *Chugai Shogyo*, are giving prominence to news that the Indian Ministry of Commerce has formally proposed to the Japanese Foreign Office the opening of a conference for the adjustment of Indian freight ratios between British and Japanese ship-owners. The Raj, it is reported, is considering a ban against Japanese steamers trading between Indian ports.

The Indian note proposed the opening, under official auspices, of a conference of Japanese and British shipping interests connected with Indo-Japanese trade. It also asked for the imposition by the Tokyo Government of a ban against the operation of Japanese bottoms in coast-wise shipping in India and Burma.

Japanese shipping circles are opposed to giving such a conference an official character, contending that the questions should be discussed by the Bombay and Calcutta Freight Tariff Conference.

Nanking Government Propose New Subsidies System to Aid China's Industries

State aid for the encouragement and developments of specific industries by private capital has been legalized under a set of "Regulations governing Guaranteed Interest and Subsidies for Special Industries" officially promulgated by the National Government Apr. 12. Manufacturers of motors of all kinds, electrical machinery, machinetools, metallurgic industry, liquid fuel extraction and refinery and transportation-materials will benefit.

Shanghai City Government Has Deficit of $20,000,000

Speaking at the weekly memorial service in Shanghai April 6, O K. Yui, acting mayor of Shanghai, declared among other things that the City Government of Greater Shanghai has a deficit of $20,000,000. Mr. Yui revealed further that the monthly revenues of the City Government are insufficient to meet the the monthly expenses.

Leprosy Measures Discussed at Final Meeting of Medical Association

The fourth biennial conference of the Chinese Medical Association, was officially concluded April 8. Many of the visiting doctors proceeded to Nanking where they were guests of the National Health Administration under Dr. J. Heng Liu, the director.

At its last business meeting the Chinese Medical Association formally adopted the resolution admitting Chinese dentists as associate members of the organization.

More than $30,000 was contributed and pledged by members of the Association towards the construction of a new building for the Association at 41 Tsepang Road, Shanghai. The appeal was made during a banquet given by branch by Dr. F. C. Yen, Director of the Shanghai Medical Center and Dr. W. S. New. The association hopes to raise $100,000 for the building.

Dr. F. C. Yen Discusses Leprosy Problem

The highlights of the leprosy conference at the final session were the adoption of many important resolutions and the election of officers for the coming term. In an informative address Dr. F. C. Yen expressed the opinion that work among the lepers is primarily the concern of the medical mission. Unless the doctors in the medical profession are interested in this work and are willing to be behind this work, he felt, that the work on leprosy would make no progress. A leprosarium, he said requires technical men to give the proper care, prevention and treatment to the lepers; and so in order to start work right the medical profession ought to be behind this work.

"We believe," continued Dr. Yen, "that in this work and in the work of the various leprosaria we need specialized medical men to carry on the work. We want to give to the lepers the right treatment, the right prevention and in order to do that we must begin to train qualified doctors to do this work. The work can only be extended in so far as we are able to have proper doctors to do the work. The new Leprosarium in Shanghai has been co-operating very closely with the National Medical College of Shanghai. It is with this idea that we want to give the students a sort of leper-mindedness in order to kindle interest in this work so that they can also receive training. It is only in that way, I believe, that we will be able to train among the medical men sufficient persons who will understand this work."

Dr. J. L. Maxwell Reports on Massacre of Lepers in Kwangtung

After hearing a report on details of the massacre of from 50 to 60 lepers in Southern Kwangtung on Easter Sunday, the Chinese Medical Association April 5 decided to enter strong protests to the proper authorities in Nanking and Canton. The officers of the conference were instructed to take immediate steps to urge that suitable penalties be imposed on "the murderers," that steps be taken to protect lepers, and that precautions be taken to prevent the molestation of those undergoing medical treatment.

Dr. J. L. Maxwell, Secretary of the Council on Medical Missions, in reporting, said: "As the sun was rising on Easter Sunday morning from 50 to 60 Christian leper men and women were murdered by soldiers at the leper settlement of the Yeung-kong mission hospital in southern Kwangtung."

The institution, which is called King's Mothers Village, is located at Yeung-kong (Yang Kiang in Mandarin), in Southern Kwangtung and was founded 20 years ago. The hospital is supported by funds from the Presbyterian Church in the United States and the Chinese Mission to Lepers. Last year the institution had 56 patients.

China Takes Part in International Sugar Conference in London

The Bureau of the International Sugar Conference in London April 7 agreed to submit to the Conference for approval the figure of 3,170,000 metric tons for the crop year 1936-37 to meet the needs of the "free market," that is, needs which are not met by home production or by the production of colonies enjoying preferential treatment.

Liu Cheh (China), was among the speakers at the April 6 session of the International Sugar Conference.

Suspects of Attempted Murder of Soong and Wang on Trial at Nanking

The six suspects arrested in Hongkong last year and later extradited to Nanking were arraigned before the District Court at Nanking April 12 on charges of making attempts on the lives of T. V. Soong, in Shanghai in 1931, and on Wang Ching-wei, then President of the Executive Yuan, on Nov. 1, 1935. Charges of participating in a criminal gang and inciting soldiers to disobedience were also brought against sextette who together with six others previously tried in connection with the attempted murder of Wang Ching-wei, crowded the small sized dock of the tribunal.

CUSTOMS NOTIFICATION NO. 1570

The public is hereby notified that the Government have approved the following revised wording of the note attached to Import Tariff heading No. 256 (c) (2):

"In the case of Front Wheels, Rear Wheels, Front Springs, Rear Springs, Front Axles, Rear Axles, Frames, Radiators, Propelling Shafts, Motive Power, and Unassembled Parts of Bodies, this rate is applicable only when they are packed separately; otherwise they shall be subject to a duty of 30 per cent."

"凡前輪，後輪，前彈簧，後彈簧，前軸，後軸，車架，散熱箱，主動軸，發動機，及未經裝成之車身，於進口時須分別包裝，方能適用本項稅率，否則其稅率應爲從價百分之三十。"

CHU CHANG-NIEN,
Superintendent of Customs.

PAUL BARENTZEN,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 12th April 1937.

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Movements and Appointments in Diplomatic and Official Circles

Liu Shang-ching, former Minister of Interior, returned to Tientsin April 10.

Dr. W. W. Yen, former Chinese Ambassador to Moscow, arrived in Nanking, April 9, from Tientsin on private business.

D. Bogomoloff, the Soviet Ambassador, paid an official call on Dr. Wang Chung-hui, new Foreign Minister, at Nanking April 7.

Marshal Feng Yu-hsiang, Vice-President of the Military Affairs Commission, arrived in Wuhu April 12 on his way back to Nanking.

The Nanking authorities last week accepted the resignation of H. Lee, Chinese Consul-General at Manila.

Lieut.-General Sun Wei-ju, the new Chairman of the Shensi Provincial Government, assumed his concurrent duties as Commander of the Shensi Provincial Peace Preservation Bureau at Sian April 6.

In deference to the wishes of the Central authorities, Hsu Shih-ying, Ambassador to Tokyo, has withdrawn his resignation. He saw Dr. Wang Chung-hui, Minister of Foreign Affairs in Nanking last week. It is understood that he will sail for Tokyo April 20.

Concluding his two weeks' visit to Kwangtung and Fukien, Sir Hughe Knatchbull-Hugessen, British Ambassador to China, returned to Shanghai April 8 aboard a British gunboat. He later proceeded to Nanking to interview prominent Government officials authorities.

General Hsu Yung-chang, the new Director of the Administrative Office of the Military Affairs Commission, returned to Nanking April 7 from Taiyuan, provincial capital of Shansi, after winding up his affairs as Bandit-suppression Commissioner for Shansi.

Dr. Wei Tao-ming, the newly appointed Acting Secretary-General of the Executive Yuan, called on Dr. Wang Chung-hui, Acting President of the Executive Yuan, April 7 to receive instructions.

General Fu Tso-yi, chairman of the Suiyuan provincial administration, visited the Wo Fu Ssu in Peiping, April 9, and paid his respects before the remains of the late Marshal Tuan Chi-jui.

Commander H. E. Overesch, U.S.N., who is going to Peiping as relief to Commander Thomas M. Shock, Naval Attache attached to the American Embassy, is expected to arrive in Peiping about April 18.

The "Star" of the German Red Cross Order was bestowed upon the Minister of War, General Ho Yin-ching, at a ceremony held at the German Embassy in Nanking April 8.

Yuen Su-wong, Chinese minister to Mexico, arrived in Shanghai, end of last week by the Dollar liner *President Coolidge*, from San Francisco, accompanied by his wife.

Dr. Hu Shih-tse has been appointed delegate to the 22nd Session of the League of Nations' Advisory Committee on Opium Traffic.

Gen. Chen Chi-cheng, Border Commissioner for Honan, Hupeh and Shensi, who was recently transferred as Dean of the Central Military Academy, arrived in Nanking April 11 from Shanghai. He will take over from Gen. Chang Chi-chung, the retiring dean, sometime next week.

In the absence of Tseng Yang-fu, Vice-Minister of Railways who has gone to London with Dr. H. H. Kung to attend the Coronation, Yen Te-ching, Chief Technical Expert to the Ministry of Railways, has been appointed Acting Administrative Vice-Minister.

The resignation of Dr. J. Heng Liu, Director of the National Health Administration, from his concurrent duties as Dean of the Military Surgery School has been accepted by General Chiang Kai-shek.

General Ma Lin, Chairman of the Chinghai Provincial Government, who made a pilgrimage to Mecca last year, returned to Shanghai. April 12.

Prince Sha, Chairman of the Suiyuan Mongolian Political Council after a visit to Nanking proceeded to Hangchow April 13 on a pilgrimage.

The Chinese Foreign Office has appointed Chu Chih-chuan as Charge d'Affaires of the Chinese Legation in Havana. Chang Hui-chang, the Chinese Minister to Cuba, has been recalled to Nanking.

A Government mandate April 10 appointed Hu Shih-tse (Victor Hoo) Delegate to the Session of the League of Nations' Advisory Committee on Social Problems.

A formal denial was made by responsible spokesman of the Ministry of Foreign Affairs in Nanking April 10 regarding reports that China's Ambassadors to Soviet Russia, Germany and Italy have been summoned back to China.

Dr. Wang Chung-hui, Minister of Foreign Affairs, returned the calls of D. Bogomoloff, the Soviet Ambassador, and Sir Hughe Montgomery Knatchbull-Hugessen, the British Ambassador, April 12.

According to information from the Ministry of Foreign Affairs, General Chang Chun, former Minister of Foreign Affairs, on his forthcoming trip abroad, will not pass through Japan, so as to avoid misunderstandings.

Kenjiro Kodama Not Likely to Be Japanese Ambassador to China

In an interview at Peiping April 13 Kenjiro Kato, First Secretary of the Japanese Embassy, said it was unlikely that Kenji Kodama, head of the recent Japanese Economic Mission to China, would be appointed Ambassador to China.

K. Kawashima, newly appointed Japanese Minister to The Hague, departed from Shanghai for Tokyo April 8.

Goro Iwamatsu, a secretary of the Tokyo Ministry of Education, is making a two-weeks inspection tour of foreign schools in Shanghai, especial attention being paid by him to the educational methods followed in the schools operated by the Shanghai Municipal Council.

Kodama Reports to Premier Sato on Results of Economic Mission to China

A *Central* message from Tokyo April 9 stated that strict secrecy was maintained by official circles regarding the proposals of Kenji Kodama, former Chairman of the Yokohama Specie Bank and head of the Japanese Economic Mission to China, which he made to Naotake Sato, Minister of Foreign Affairs, during their interview on Sino-Japanese relations the previous night. According to several of the morning papers which reported extensively Mr. Kodama's call on the Gaimusho, the proposals of the financier may fall into two categories, political and economic. On the political side, Mr. Kodama is reported to have advocated the readjustment of several North China anomalies, including the bogus East Hopei regime and the smuggling situation. Mr. Kodama thinks that such an adjustment should be voluntarily initiated by the Japanese as a preliminary step for breaking the Sino-Japanese deadlock. On the economic side, it is reported, the noted financier suggested the establishment of a Government organ to promote Japanese economic activities in China. He emphasized the speedy progress made by China in economic reconstruction and the advance of British interest in Central and South China during the last few years.

During their interview, Mr. Sato is said to have withheld his comments until the return of Mr. Kawagoe, Ambassador to China, who is expected to arrive in Tokyo towards the end of this month.

Mrs. F. D. Roosevelt and Madame Chiang May Exchange Visits

Mrs. Franklin D. Roosevelt, wife of the President of the United States, is reported to have decided to visit China in the nearest future. The first lady of America is expected to reach this country either on a warship by way of Manila, or by airplane.

In connection with the forthcoming visit this summer of Madame Chiang Kai-shek, wife of the President of the Executive Yuan, to America to receive honorary degrees from Mount Holyoke College, one of the leading colleges for women in the United States, and from Oberlin College in Ohio, it is intimated in various circles that Mrs. Roosevelt and Mrs. Chiang may exchange visits.

Rotarians Hold Annual Conference at Nanking

International goodwill prevailed in the second annual conference of the 81st Rotary District at the International Club which convened in Nanking April 12 under the chairmanship of Hsu Mo, Vice-Minister of Foreign Affairs and past President of the Nanking Rotary Club. Preceding the inaugural ceremony, Dr. Fong F. Sec, led his follow Rotarians in presenting floral wreaths at the Sun Yat-sen Mausoleum at eight o'clock. The number of delegates attending the conference far exceeded that of the first conference last year in Shanghai. More than three hundred Rotarians from twenty-four cities throughout the country attended the conference. Of the whole gathering, Shanghai sent the largest number of delegates, totalling over fifty, while far-away Kunming and Lanchow both sent a lone member.

Dr. Wang Ching-hui, Foreign Minister, was host at a dinner party at the International Club in honor of the Rotarians April 13. In an inspiring speech Dr. Wang expressed his belief that Rotary, by devotion to others and putting service above self, will eventually unite men, nations, and races into a solid and unbreakable whole which will be stronger and more durable than any organization yet attempted by mankind.

Dr. Fong F. Sec, well-known Shanghai educator, was unanimously re-elected District Governor at the concluding session April 13.

Who's Who in China

Wang Fa-chin, Government official; born at Kaoyang, Hopei, 1870; joined the Tungmenghui (predecessor of the Kuomintang), 1909; during the Revolution of 1911, he was a department director of the Peking-Tientsin Branch of the of the Tungmenghui and concurrently head of the Republican Corps organized by the educational circles in Tientsin; vice-director of the Chihli Branch of the Kuomintang, 1912; after the establishment of the Parliament, he was elected member of the Senate; when the Kuomintang was reorganized in 1914, he was elected member of the First Central Executive Committee and concurrently member of the Executive Committee of the Peiping Branch of the C.E.C.; after the occupation of Wuhan cities by the Nationalist Revolutionary Army in 1926, he was appointed member of the Nationalist Government in Wuhan and concurrently Minister of Labor and Chairman of the People's Committee; now member of the Fifth Central Executive Committee and concurrently member of the National Government Council; address: Central Party Headquarters, Nanking.

王法勤
Wang Fa-chin

王法勤，六十八歲，河北高陽縣人，前清宣統元年加入同盟會，辛亥革命任京津同盟會糾察部部長兼天津學界全體同志組織之共和團團長，民元任國民黨燕支部副部長，國會成立以諮議局議員當選爲參議院議員，十三年國民黨改組後，任第一屆中央執行委員會委員兼北京執行部執行委員，十五年北伐軍克復武漢，任國民政府委員，兼勞工部部長及人民委員會委員長，現任五屆中央執行委員會委員兼國民政府委員。

Through Shanghai-Canton Railway Service Promised for Oct. 10

The Ministry of Railways is making arrangements for the inauguration of through train services between Shanghai and Canton on October 10. It is reported that with the inauguration of this service, the trip between Canton and Shanghai will be made in 48 hours.

Workshop Employees of Canton-Hankow Railway on Strike

Employees in the railway workshops at Wuchang and Hsuchiapeng have been on strike since April 4 with a view to enforcing a series of demands for improvement in their conditions. A clash between the strikers and Police took place Apr. 8.

Paoshan Extension of Kiaotsi Railway to Be Opened to Traffic in August

The Paoshan extension of the Paochow-Tsinan Railway will be opened to traffic sometime in August, Tan Shu-kwei, Director of the Traffic Department of the line, stated at Tsinan April 11.

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THE CHINA WEEKLY REVIEW
160 Ave. Edward VII, Shanghai.

In the United States Court for China

ALICE C. GALE, Plaintiff,
vs.
LLOYD ENNIS GALE, Defendant.

Cause No. 4190
Civil No. 2069
ORDER
Filed at Shanghai, China, April 15, 1937.
William T. Collins, Clerk.

The object of this suit is to secure a decree of divorce.

WHEREAS plaintiff herein, on the 15th day of April, 1937, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1937, the Summons for defendant was returned by the United States Marshal for China, "Not to be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1937, ALICE C. GALE, the plaintiff herein, filed an affidavit to the effect that the defedant, Lloyd Ennis Gale, does not reside within the jurisdiction of this Court and that he has not been a resident of this jurisdiction within the past six months.

NOW, THEREFORE, it is this 15th day of April, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 1st day of May, 1937, the last day of publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT.

MILTON J. HELMICK
JUDGE.

FOR SALE

A subscriber, residing in Nanking, would like to dispose of back-issues of THE CHINA WEEKLY REVIEW, from Vol. 5 to Vol 30 (June 1, 1918 to November 29, 1924) and Vol. 42 to Vol. 66 (September 3, 1927 to November 30, 1933). Librarians or others interested, please communicate with the Subscription Department, mentioning this advertisement.

THE CHINA WEEKLY REVIEW
160 Avenue Edward VII
SHANGHAI

Men and Events

James Malcolm Kerbey of Shanghai and Miss Florence Taylor of Seattle were married at Community Church, Shanghai, on April 7.

The blossom of the *aleurites cordata*, from which wood oil is obtained, has been selected as the official flower of Kwangsi province.

A exhibition of rare stamps was opened at the Royal Asiatic Society this week under the auspices of the Shanghai Philatelic Society.

The death was announced in London April 7 of Lieutenant-General Sir Thomas Edwin Scott, who served in China during the Boxer troubles.

Dr. and Mrs. Fred P. Manget, who have been visiting at their home in Newnan, Georgia, are returning to China shortly. They are stationed at Huchow, Chekiang province.

Mrs. C. C. Boynton of Los Angeles, mother of the Rev. Charles L. Boynton, Secretary of the National Christian Council, died on Friday, April 2. Mrs. Boynton was 92 years of age.

Roy Chapman Andrews, American zoologist and explorer, was awarded the Vega Medal by the Swedish Society of Anthropology and Geography, at Stockholm, Apr. 8.

Fan Shao-chang, manager of the Kaoyi branch of the Hopei Bank, was executed by shooting at Peiping, April 12, after conviction by the Pacification Commission on a charge of embezzling $30,000.

Four passengers, including a woman, were killed and six others injured when a south-bound train on the Peiping-Hankow Railway was driven into a siding by mistake on April 8 immediately after it left Siaokan, eastern Hupeh.

Yeh Fu-kang, attorney-at-law and one time judge in the District Court of Shanghai, was sentenced to one year's imprisonment by Judge Lu at the Nantao District Court, April 10, following a conviction for fraud.

Representatives of the cotton industry in Shanghai, Hankow, Changchow and Wuhu proceed to Nanking this week to petition the Central authorities to postpone the proposed increase of the Consolidated Tax on cotton yarn.

C. Kring, of the Great Northern Telegraph Company, is returning to his native land, Denmark, early next month on retirement, after residence in China for 37 years. Mr. Kring arrived in China in 1900 during the Boxer troubles.

Miss Grace Liang, daughter of Mr. and Mrs. M. T. Liang of Tientsin, and Daniel Yapp, formerly of Honolulu, who is now connected with the Crown Life Insurance Company, were married in Shanghai April 9 by the Rev. H. G. Newsham.

With a view to bettering the physical condition of women in Peiping, the Peiping Police Bureau will shortly start a house-to-house investigation to discover if foot-binding is still being practised and, if so, to take measures to stop it, according to Chinese press reports.

Dr. Li Chi, of the Academia Sinica, after lecturing in British universities for two months, departed from London April 7 for Sweden where he will lecture in response to an invitation of Crown Prince Gustaf Adolf, who is himself a well-known Sinologue.

Admiral H. E. Yarnell, Commander-in-Chief of the Asiatic Fleet of the United States, who is visiting in Canton, was honored at a dinner party given by Clarence J. Spiker, American Consul-General, April 11. High Chinese officials were also present at the function.

Viscount Konoe, Japan's outstanding composer and a scion of one of Japan's leading families, has received an offer to become the conductor of the symphony orchestra maintained by the National Broadcasting Corporation, America's leading broadcasting company.

The American Bureau of University Travel is bringing a party of fifteen young professors to the Far East led by Prof. Robert K. Reischauer, of Princeton University. Prof. Reischauer was born in Japan and is the son of Prof. Edwin R. Reischauer of the Tokyo Women's Christian College.

Dr. C. T. Leber, secretary of the Board of Foreign Missions of the Presbyterian Church in the United States, was the speaker at a luncheon at the Foreign Y.M.C.A. on Tuesday, April 13. Dr. Leber, who is making a trip around the world, spoke on the subject, "World Trends in Religious Thinking."

Announcement was received in Shanghai last week that William R. Rice, formerly manager of the West Coast Life Insurance Company in Shanghai, had been appointed Manager for Northern California for the Manufacturers' Life Insurance Co. His office is located at 111 Sutter St., San Francisco.

A sensational murder case shocked Sian city shortly after midnight April 5 when two accountants of the Special Tax Bureau were shot down in cold blood by unidentified gunmen. The two victims were Li Chi-chang and Wang Ming-cheh. A personal grudge was believed to be the motive for the murder.

Foreign professors and instructors employed in Chinese colleges and universities will be subject to payment of the Income Tax. The Executive Yuan has issued an order enjoining that Income Tax be deducted by the school authorities from the salaries of foreign teachers according to the rates prescribed by Law.

Charles Carson Vines, manager of the Carolina Leaf Tobacco Company, in Shanghai, and Miss Gladys Verney, daughter of Mr. and Mrs. A. Verney, of Melbourne, Australia, were married by Rev. E. W. Luccock, in Shanghai April 7.

Succeeding Signor Vincenso Lojacono as Italian Ambassador to China, Signor Giuliano Cora arrived in Shanghai on the Italian liner *Conte Rosso* April 12. The new Italian envoy was greeted at the China Merchants' Lower Wharf by local Italian diplomatic and consular officials, and residents and also by Chinese government representatives.

Extensive alterations are being made in the great house of the Chinese Embassy in Portland Place, London. The house, originally owned by Lord Howard de Walden, was acquired by China on a 999 years lease, about 13 years ago. It is one of the largest and oldest in Portland Place, and contains some lovely marble mantel pieces and inlaid Adam doors.

An attempt of robbers to loot the tomb of the late General Chang Tsung-chang, notorious warlord of Shantung and Commander-in-Chief of the Chihli-Shantung Forces, was frustrated by the Peiping police April 8. The marauders, about 10 in number, were digging up the grave when they were interrupted by the appearance of police. They immediately abandoned their operations and fled. A later message said that four grave robbers were executed at the Tien Chia (Peiping) April 9 in the presence of a large gathering of spectators.

Shops in Wuhu declared a strike last week as a protest against the cleanliness campaign enforced by the local authorities. The strike has been declared not so much against the cleanliness campaign in principle but against the method of punishment. When the drive was in progress, it was stated, those whose premises were found to be not up to the standard of cleanliness were given "paper hats" to wear and paraded through the streets under escort of the police.

The Association of American University Women gave an International Tea April 7 at the home of Mrs. Arthur N. Young, in Shanghai. The gathering was for the purpose of increasing the scholarship fund for which this organization is known. Mrs. William Dunbar, as chairman of the fund committee, presided. A prominent feature of the event was a performance given by Miss Cecilia S. T. Zing, who has recently written a book entitled "Secrets of the Chinese Drama."

The death occurred recently of Miss Nellie Lee Putney in Lin P'ing, (Kwangtung), while she was travelling with Miss Shau-lan Lee, Secretary of the Woman's Missionary Societies of the Liang Kwang Baptist Association. Deceased was born in Virginia (U.S.A.) on February 14, 1892; she received her education in the State Teachers' College of Eastern Virginia and the Women's Missionary Training School in Louisville, Kentucky, and arrived in China in September 1923.

The British and Foreign Bible Society, last week issued its final annual report, (that for 1936), as a short while ago plans were formulated whereby the whole work of this society and the American Bible Society in China will hereafter be directed by one executive committee. The 1936 report of the Society stated that it had circulated 48,030 bibles, 57,934 New Testaments, and 3,841,440 portions, a total of 3,947,404 in China alone; this represented a slight decrease over the 1935 figure of 4,227,166.

Reginald Sweetland, correspondent for *The Chicago Daily News*, who has been stationed in Rome for the past two years and prior to that in Vienna, has returned to the Far East. Mrs. Sweetland arrived in Shanghai on Sunday, April 11, while Mr. Sweetland, who stopped over in Hongkong and Canton for a few days is expected here shortly. Mr. Sweetland was stationed in Shanghai for several years, following which he went to Tokyo and then to Europe. Mr. and Mrs. Sweetland are residing temporarily at the Astor House.

The annual concentration of American warships in North China began this week. The U.S.S. *Black Hawk*, destroyer tender, together with her group of 11 destroyers, arrived here early in the week. They will leave here for the summer training waters off Chefoo early next month. A large number of other vessels are due next week. With the entire American fleet in port, the number of officers and men in the city will total approximately 7,000.

Dr. C. T. Wang Will Be Entertained at a Tea-Reception at the Park Hotel April 19

The Pan-Pacific Association of Shanghai is joining with the China Institute of International Relations, the Shanghai Chinese Chamber of Commerce, the China Council, Institute of Pacific Relations, etc., in giving a tea-reception in honor of Dr. C. T. Wang, Ambassador to the United States, and Honorary President of the Association. The reception will be held at the Park Hotel Dining Room, Bubbling Well Road, Monday, April 19, from 5 to 7 p.m.

The American Community is giving a dinner in honor of Dr. C. T. Wang, and Madame Wang, on Monday evening, April 19, at the French Club. The function is open to all Americans, and their Chinese guests are cordially invited.

Chinese Ratepayers Reject Increase in Municipal Rates

The decision of the Shanghai Municipal Council to increase municipal rates and land tax from July 1 was rejected by the Chinese Ratepayers' Association at its annual meeting April 12. The meeting, which was presided over by Wang Hsiao-lai, Chairman of the Shanghai General Chamber of Commerce, and attended by a total of 74 representatives, decided to ask the Council to postpone the discussion of the tax question until the next fiscal year. In order to balance its budget, the meeting further suggested that the Council should adopt rigid retrenchment measures and collect all municipal taxes in arrears.

It was decided at the meeting that the Shanghai Municipal Council be requested to accord equal treatment to its Chinese and foreign staff members hereafter. Among other important resolutions adopted was that the Chinese Ratepayers' Association should maintain the same status as that of the Foreign Ratepayers' Association.

Messrs. Yi Yu-shu and William Gockson were elected new councillors to the Shanghai Municipal Council for the current year, while Messrs. Yu Ya-ching, Eugene Y. B. Kiang and Singloh Hsu were re-elected councillors.

Messrs. Lin Kang-hou, Hsu Hsiao-chu and Tseu Yi-zan were re-elected committee members of the S.M.C.; while Messrs. Wu Wen-chu, Chu Keng-tao and Chow Peng-chun were elected new committee members. Ching Tsung-cheng was elected Land Commissioner to the Shanghai Municipal Council.

A total of 35 members were elected to the Executive Committee of the Association.

Shanghai Ratepayers Postpone Tax Increase Until January 1

The Shanghai Ratepayers held their annual meeting April 14. The principal business transacted was to postpone for six months, that is until January 1, 1938, the imposition of the proposed two percent increase in houses taxes. This was accomplished by means of an amendment introduced by a member of the incoming Council. This action was taken as the result of pronounced opposition to the increase on the part of the Chinese community.

Candidates Announced for General Committee of American Community of Shanghai

The Nomintating Committee of the American Community of Shanghai, composed of nine members who are not at present members of Community Committee, which was recently appointed by the American Community Committee, has chosen the following names, submitted for election to the General Committee this year. The five names receiving the highest vote will serve for three years. The two names receiving the next highest vote will serve for two years, replacing Messrs. Harkson and Heuser, resigned:—

R. D. Chisolm, A. C. Cornish, E. M. Gale, P. LeFevre, Dr. E. W. Luccock, A. B. Moulton, J. A. Mackay, G. M. Neal, H. E. Page, C. W. Petitt, Col. C. F. B. Price, D. C. Reib, C. W. Schoos and F. E. Vincent.

Dividends Paid by Numerous Industrial Concerns Reflect Improving Conditions

The Anglo-French Land Investment Co. of Shanghai last week declared a final dividend of $7 per share (par value Tls. 100) which with an interim dividend, makes $10 for the year.

The China Insurance Co., Ltd. (Shanghai) reported a net surplus of $268,499 at its meeting April 5, when a dividend of six per cent was declared.

Reaping a net profit of $1,760,000 for the year of 1935, the Chee Hsin Cement Co. of Tientsin, the biggest of its kind in China, declared a dividend of 8 per cent at its meeting April 10.

A reduction in overdraft by half a million dollars, the addition of $300,000 to the reserve fund and the payment of a dividend (six per cent) for the first time for many years, reflected the improvement in the position of the Hongkong and Whampoa Dock Co. held in Hongkong last week.

World Boom Reflected in Shipping

Reflecting the world-wide business recovery, aggregate idle tonnage dwindled to 2,971,000 tons on Mar. 15, the lowest figure since the World War, comparative figures prepared by the Japan Ship Owners' Association showed April 10. This showed a decrease of 114,000 tons in laid-up vessels since Feb. 15.

Barricaded Lawyer Receives $300 from Shanghai Municipal Council

Teh Shao-yin, a lawyer living at House 62, Yu Ku Terrace in which was barricaded recently by the Shanghai Municipal Council for non-payment of taxes—who had decided to file a suit against the Council for damages—has abandoned the suit, having received $300 for the Council in payment of his claim. He based his claim on the fact that he had paid the Municipal tax regularly.

T'IEN HSIA MONTHLY

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New Books of Interest in the Far East

The Slaughter in Spain

The Spanish Tragedy. By E. Allison Peers. Published by Messrs. Methuen & Co., 36 Essex Street, W.C.2, London. 247 pp. 10s. 6d.

The Spanish Civil War is of especial interest to students of the Chinese scene because China herself has been a victim of civil war for ten years and has only, in these past few months, secured the capitulation of some elements that threatened war with the Central Government and with other elements, the Communists, which waged active warfare against the Government for a decade. Even now the danger of civil war is far from eliminated and the cry "Don't make China another Spain" was heard with increasing vigor during those dark December days when General Chiang Kai-shek was a prisoner in Sian.

What lessons can China learn from the Spanish tragedy? The book under review, which tells the pitiful story of Spain from monarchy through dictatorship and republic to chaos, gives pointed emphasis to the difference and to the oneness between Spain, preceding the civil war, and China. The book was not written for the China reader and contains no reference to China or the Far East anywhere, but the parallels between the two countries are obvious.

As in China, the Spanish peasants were land hungry. They tilled the fields as tennant-farmers and had nothing but debts to show for their yearly work, while the Spanish grandees lolled in the luxury of the cities, even as the Chinese gentry loll in the Treaty Ports on the unearned increment from their lands. Spanish workers were given miserly pay and discontent and unrest grew among the oppressed classes.

Spain was divided into sections, each with its own traditions, culture and language. The whole country was ripe for the seeds of anarchism, syndicalism, communism. When the Leftists secured political control of the nation through the polls, the gentry and the armed forces would not accept it. Revolution and civil war was the result.

In Spain, however, every citizen was an ardent partisan of one party or another and frequently bore arms to defend his political ideology, as compared with the docile Chinese peasant who only wants to be left alone—"Heaven is high and the Emperor is far away." This Chinese characteristic has been both the strength and the weakness of the Chinese nation; its strength because the Government has been able to proceed with its work unhampered by mass uprisings of the people following ambitious warlords and false prophets; its weakness because it left the nation a prey to internal traitors, blood-squeezing capitalists and foreign aggressors.

Prof. Peers in "The Spanish Tragedy" does not dig far enough under the surface to catch and convey the full import of the tremendous forces behind the Civil War. He gives the reader a very thorough chronological history of events in Spain but makes no effort at all to explain the ideology behind the numerous parties, factions and cliques in Spain. Altogether the book gives the impression of being a very superficial survey, being more chronological than analytical.

Nevertheless, "The Spanish Tragedy" is a book to be read with profit. Prof. Peers has remained, as he stated in the foreword he would, absolutely impartial.

In conclusion, he says, "The fundamental weakness of the Spanish Republic has been the lack of a great leader. It has produced no man powerful enough to rule yet capable of ruling with moderation and prudence, of rising above recriminative aims of party politics and of persuading others to accept him and to believe that he holds the key to his country's prosperity. Such a man must of necessity arise before Spain can be saved . . . .

"Slaughter and counter-slaughter seem the only prospects. The rythm of reaction has gathered speed till rythm itself is lost in the whirl and clash of warfare. Men are at each other's throats. Civilization has given place to chaos. And there is one 'martyr of the Republic' above all others—Spain."

E. H. L.

A Shallow Book on the Far East

The Far East Comes Nearer. By Hessell Tiltman. Jarrolds, London, 1936. 314 pp., illustrated. 12s 6d.

This volume gives the impression of having been written rather for the sake of producing a salable book on a topical subject than of saying something that needed to be said. The serious student of Far Eastern Affairs will find himself put off in the very first chapter by the author's penchant for such glib generalizations as that Japan is "the greatest civilizing force in Asia" and that in September, 1931, "some 30,000 little Nipponese soldiers seized the Overlordship of Asia."

Again, on page 166 in a further reference to the Mukden incident Mr. Tiltman says: "Chang Hsueh-liang and his military clique gathered up as much cash as they could lay their hands on and fled, first southwards, and later on a de luxe tour of the world. This is neither true nor fair. The facts are, first of all, that at the time when the Japanese army struck its fateful blow Chang Hsueh-liang was convalescing in the Peiping Union Medical College hospital after a protracted bout of typhoid fever and, confronted with a fait accompli, simply sat tight, quietly and calmly awaiting developments. Secondly, it was not until 1933 that Chang went abroad on a health trip, from which he subsequently returned in order to take up a responsible post under the central government.

It will appear to many observers who have studied recent developments in Manchuria that the author takes far too much for granted in assessing the results of the Japanese occupation of that territory. "If it is agreed," he writes, "that the first essential of civilization is security of life and property, then Japan can justly claim to have fulfilled her initial task as the overlord of Manchukuo." And again: "The Japanese Courts and police force are among the best in the world, and the introduction of that system into Manchuria is a decided improvement on the lethargic and corrupt Chinese courts of former days." If Mr. Tiltman had looked into matters a little more closely he could hardly have avoided discovering abundant evidence to the contrary.

But, allowing for these blemishes, the book serves a useful purpose in outlining for the general reader the modern trend of events and policies in the Far East. The author's general thesis is that a conflict between Japan and Russia is inevitable and that Europe is bound to be involved in the cataclysm. In his view the remedy lies "in the calling of a Pacific conference at which all the Powers having interests in that area would be represented—a conference not to sit in judgment upon Japan, but to examine the many crucial problems arising out of the upsetting of the status quo in the Pacific, and the vital needs of the Japanese Empire which precipitated the present critical situation." H. J. T.

Third Reich Makes Supreme Effort to Push Trade in Far East

In a supreme effort to facilitate trade relations between Nazi Germany and Far Eastern countries, the Third Reich has abandoned mailed-fist tactics and is inaugurating an era of skillful and friendly negotiation which may wrest away sizable portions of American and British trade with the Orient, according to the *Far Eastern Survey* of the American Council, Institute of Pacific Relations (Mar. 17). Pointing out that "German policy in the Far East has become more and more careful to avoid giving offense to national feelings," Dr. Harald von Waldheim, German expert on the Far East, maintains that "although German investments extend to long-term credits, licenses, and limited participation in profits and in management, such investments have in no case gone so far as, for example, that of Ford and General Motors in Japan, where factories entirely owned by the foreign companies engage in production on Japanese soil."

"The bulk of German exports to the Far East consists of goods which go directly from the German factory to the Far Eastern customer and do not, like textiles, pass through the hands of a long chain of dealers on both sides," it is stated. "The consequence has been," the Survey holds, "that German industry has come into close contact with its individual industrial customers in the Far East."

Peiping Writers and Teachers Start New Magazine on Democracy

A new magazine entitled *Democracy*, edited by a group of will known writers and teachers in Peiping is shortly to be started, according to notices issued by the promoters this week. The magazine will be issued half-monthly and will be devoted to the "fundamental principles of representative government, freedom of press, speech, assembly and organization."

The Board of Editors is unique in that most of its members are interested primarily in the study of political, economic, or social problems, and secondarily in journalism as such. Four members of the Board are connected with Yenching University, including Hubert S. Liang, Chairman of the Department of Journalism; Chang Tung-sung of the Department of Philosophy, formerly engaged in newspaper work in Shanghai; Harry Price of the Department of Economics; R. C. Sailer of the Department of Psychology. Other contributors include Edgar Snow, correspondent, magazine writer and author; Miss Ida Pruitt, head of the Social Service Department of P. U. M. C., also well known as a writer and author; Miss Nym Wales, magazine writer, and John Leaning, scholar in economics from Oxford University.

An advertisement of the new magazine appears elsewhere in this issue of *The Review*.

The History of a University in Australia

A History of the University of Melbourne. By Ernest Scott. Melbourne University Press in association with Oxford University Press 8/6.

Such a book as this must necessarily be of interest to a limited public, but for those interested it is a complete and satisfying history of a great university from its founding, through its many vicissitudes to its present prosperous and increasingly useful day. It is well illustrated, and has for helpful reference at the very beginning a Chronology giving all important events in order from 1852 to 1936.

A popular but erroneous idea concerning the Founder of the institution is satisfactorily and convincingly corrected in the opening chapter, and credit is given to whom credit is due. The application for and allottment of land for campus and buildings with vision for the needs of the future is the subject of the second chapter. Then follows the story of the appointment of the first four professors, one of whom unfortunately died before his first classes opened. It was just as this reviewer was becoming much interested in the personality of these giants who stamped their impression on the young and plastic institution, that unfortunately the copy under review was found to be lacking Pages 28 to 45.

Interest is again renewed, however, with the history of the many benefactions that made possible the rapid growth and expansion of the University of Melbourne; then the struggle to have young women admitted to the matriculation examinations, passing which, it was inevitable that they must soon be allowed also to matriculate. The opposition to establishing a Chair of Music or founding a Conservatorium on the grounds that "Music was a subject which ought not to be taught, and could not be efficiently taught, in a University" causes the reader today to smile. The brilliant and stormy-career of the first head of the College of Music, Prof. G. W. L. Marshall Hall is as interesting as fiction. The serious back-set to the University through the embezzlements over a long period of years, skillfully concealed, of the Accountant in the Registrar's office, and the Treasurer of one of the colleges, forms a sad chapter, but the generosity of the Bent Government a few years later put the institution back on its feet. The World War caused severe losses to the personnel, but the post-war period has seen amazing growth.

The book is well-done from the point of authorship; rather cheaply done from the point of publishing. While, as mentioned above, of interest to a limited public in the very nature of the subject, yet the biographical sketches of great men in the history of Melbourne's higher education would be of interest to any reader.

G. T. F.

Australians Discuss Markets in Reference to the Constitution

The Melbourne University Press has issued a brochure entitled "Marketing and the Constitution" compiled by K. H. Bouley and L. F. Giblin. The authors state that the simplest way to help a primary exporting industry is to give on all marketed production a bounty, paid from general revenue, and calculated from time to time on the considered needs of the industry in relation to general trade policy. This presupposes a reasonable grading of the product and recognized markets, which can be obtained, when not already existing, under present powers. There are no constitutional difficultics. The next alternative is a bounty on exports, again provided from general revenue. The effect of this is to raise the home price by the amount of the bounty. If exports were equal to home consumption, then half the assistance would be provided by general revenue, and half by the consumer, which may be thought economically better than putting all the cost on to the consumer, as with present marketing schemes. As with the first method, the effect is to raise the price over the whole industry by the amount of the bounty, irrespective of the proportion exported. This method also can be put into practice without any alteration of the Constitution. A third method is to give a bounty on export, and raise the money by an excise on production, as in the Paterson plan for butter. The effect, again, is to raise the home price by the amount of the bounty. The export bounty, however, is paid by the industry itself, so that the only help is given by the home price, and is provided by the consumer.

Variants of the first and second methods are the provision of a bounty, either for all production or for exports, out of money raised by an excise on the consumption of the commodity in question. This has been illustrated by the flour tax. In essence, this is only one way of providing the money out of general revenue, and there is no economic reason for raising the money by a tax on flour rather than by any other tax, and, in fact, any other tax would be better than a tax on a basic necessary of life. Here, again, however, there is no constitutional difficulty. It appears, then, that there are a number of ways in which the price can be effectively raised and assistance given to any desired extent without any alteration of the Constitution.

Japanese Forcible Occupation of North China Feared

A Tientsin message in the Hankow *Shao Tan Pao* of April 5 stated that reports are current there that large-scale disturbances will be created by the Japanese during the month of May when an additonal brigade of Japanese troops will be added to the North China Japanese garrisons. Fears are entertained by Chinese in Tientsin of a possible forcible occupation of North China by the Japanese.

Reich-Manchukuo Trade Talks Continued in Berlin

Manchukuo officials in Berlin this week continued negotiations with the German Government for the renewal of the Reich-Manchukuo commercial agreement, expiring on June 1.

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In the United States Court for China

In re.

IN THE MATTER OF THE ESTATE

of

HELEN CAMPBELL,

Deceased.

Cause No. 4189
Special Proceedings
No. 2068

NOTICE

Filed at Shanghai, China
April 14, 1937.
WILLIAM T. COLLINS,
Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Helen Campbell, deceased, to present the same with vouchers to the undersigned on or before October 18, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

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Hundreds of Filipinos Jailed for Refusing Military Training

Recent advices from Manila state that Filipino youths are not enthusiastic over the military training program of Gen. Douglas MacArthur, head of the American Military Mission to the Philippines. Reports from Leyte province reveal that hundreds of youths have been imprisoned because of their failure to report to training camps.

Diplomats Watch Activities of Manila Delegate to Sugar Conference

Advices from London April 7 stated that diplomatic quarters were closely watching the activities of Senor Felipe Buencamino, Filipino member of the American delegation to the sugar conference, recognizing that the diplomatic precedents established may be more important to the Philippines than a possible world sugar agreement, which would be important to the Islands only so far as the world price of sugar might affect the price within the United States tariff barriers.

Son of Filipino Vice-President Has Good Time in Japan

The Tokyo *Yomiuri* recently stated that a son of the Vice-President of Philippines gave up his trip to United States when he stopped over in Japan and spent money profusely. He visited the Florida dance hall and gave 10 tickets to the dancer each time; he deposited Yen 1,400 in the dance hall's ticket office.

National Art Exhibition Praised by American Ambassador Johnson

An unusual display of art is now on view at the National Art Exhibition, at the National Drama and Music Theater and the National Art Gallery on Kuo Fu Road, Nanking. The exhibits range from bronzes created before the Shang and Yin periods some 3,500 years ago; there is an unbroken exhibit of all art that China has produced during the past thirty-five or forty centuries. The display includes books and writings of many kinds, bronzes, pottery, porcelain jade, bamboo carvings, oil paintings, etc.

In a letter to the China *Press* April 10, Nelson T. Johnson, the U.S. Ambassador, warmly commended the National Exhibition of Chinese Art, adding that the "Minister of Education, the Academia Sinica, and those who have aided in putting the display on exhibit are to be congratulated. It must be an inspiring thing for a citizen of China to visit this exhibit, entirely made up of the products of one people, and see here the work of China's artists and artisans over such a long period of time. No other people in the world can, I think, put on view such a display."

Unusual Art Exhibition at Museum of Greater Shanghai

In the City Museum of Greater Shanghai, there is also on display a most creditable exhibition. It includes many pieces of ancient jade and a collection of T'ang porcelains from Szechwan. According to C. C. Hu, the Director of the Museum, the collection of jade was made by Chen T'a-nien, a well-known Kwangtung lawyer, over a period of 30 years.

A majority of the jade pieces exhibited are said to date from 200 B.C. These jades display a great variety of color. The porcelains on view were collected by Li Tze-chien from a recent excavation at T'a-yi Hsien in Szechwan. They are said to be products of the seventh century.

Indo-Japanese Trade Pact Initialled at New Delhi

Bringing to end nine months of negotiations, Japanese and Indian representatives initialed a trade accord in New Delhi, April 12. The pact, although differing in content, is designed to serve as a prolongation of one which expired on Mar. 31, after being in effect for two years. The agreement will later be formally signed in London between British and Japanese plenipotentiaries.

Although the details of the new accord were not officially divulged it was reliably stated that it provides for the barter of 358,000,000 sq. yds. of Japanese cotton textiles for 1,500,000 bales of Indian cotton.

Japan and Turkey Reach Trade Accord

Conclusion of a provisional commercial agreement with the Turkish Government was reported to the Gaimushō April 12 by Katsutaro Miyazaki, Charge D'Affaires. The accord was later signed in Ankara.

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Latest New York Stock Exchange Quotations

April 14, 1937

Stock Exchange—Business Done:-

Total Volume: 1,590,000 Shares

1936—37 High	1936—37 Low	Div. $ per sh.	STOCK	Last Sale Apr. 12	Last Sale Apr. 13
22⅜	9⅝	0.55	Adams Express	18½	18¾
83½	35⅜	1.50	Allis Chalmers	66½	67⅝
137½	104½	4.00	American Can	105	106
40¾	29¼	0.00	Amer. Cyanamid "B"	30⅛	30⅝
13¾	6½	—	American & For. Power	10	10⅛
68⅞	29¾	—	American & Foreign Pwr. $7. pfd.	56½	58
29½	18¾	0.60	American Radiator	23¾	23¾
190⅛	149½	9.00	American Tel. & Tel.	169	168¾
104	81¼	5.00	American Tobacco "B"	83	82¾
29½	19⅛	0.80	American Waterworks	21	21
69½	28	1.00	Anaconda Copper	57¾	58½
88½	59	2.00	Atchison, T. & S. Fe	82½	82¼
54¼	26⅝	—	Auburn	31	31½
19⅝	15⅞	—	Baltimore & Ohio	36¼	36½
104⅞	45¾	1.50	Bethlehem Steel	91¼	92⅝
49⅛	16⅞	—	Boeing Airplane Co.	38½	40
17⅜	10⅞	—	Canadian Pacific Railway	14⅞	14¼
186	92½	4.00	Case, J. I.	150	157
100	59	3.00	Chesapeake Corp.	83¼	84½
77¾	51	2.80	Chesapeake & Ohio	60	60¾
138¾	85½	12.00	Chrysler	116¼	118¼
23⅝	14	0.60	Columbia Gas Electric	14⅝	15⅛
24⅝	14¾	0.60	Coml. Sovents	16⅞	17⅝
5½	2¼	—	Commonwealth & Southern, ord.	2⅞	2⅞
49⅝	27¼	2.00	Consolinated Edison	39	39¼
17⅜	11½	0.80	Consolidated Oil	17¼	17¾
45⅛	28⅛	1.00	Continental Oil	45⅝	46
82½	63⅝	3.00	Corn Products	65	65½
82¼	50⅝	—	Douglas Aircraft	55¼	56⅛
184¾	133	6.10	Du Pont de Nemours	155	157½
28	15½	—	Electric Bond & Share	20	21⅝
64⅞	34½	1.00	General Electric	54⅜	55
44¼	33⅜	2.00	General Foods	42	42
77	53⅛	4.50	General Motors	59⅛	59⅝
65⅛	32½	1.00	General Railway Signal	49½	50
49⅞	13⅜	1.00	Gold Dust	45¾	46⅝
46½	21⅝	0.50	Goodyear Tire & Rubber	41⅝	42⅛
86⅜	57	1.00	Humble Oil	82⅝	82¾
72⅞	43¼	1.60	International Nickel	65⅝	65⅞
19¼	11¼	—	International Tel. & Tel.	12	11⅞
68⅜	28¼	1.70	Kennecott	58	59¼
82	43	2.00	Loew's Inc.	80½	81⅜
28⅝	21⅛	1.20	Lorillard	23½	23⅝
103	79	1.70	Monsanto Chemical	90	90
68⅜	35⅜	2.00	Montgomery Ward	61½	62
37⅜	25⅛	2.19	Nat. Bond Investment	27	27½
28¼	21	1.20	National Dairy Prods.	24	24
34¼	25⅝	2.00	National Distillers	33⅛	33¼
14⅞	9⅝	0.60	National Power & Lt.	11	11
54¾	27⅜	—	New York Central	48⅝	48⅝
36¾	23⅞	1.00	North American	26⅜	27
41	30¾	2.00	Pacific Gas & Electric	31⅛	32½
58¾	44	3.00	Pacific Lighting	46¼	47
13⅜	6⅞	0.45	Packard Motors	10⅜	10½
49⅞	28½	2.00	Pennsylvania Railroad	45⅝	46⅛
58⅝	38⅛	2.50	Phillips Petroleum	56½	57
52¾	39	2.60	Public Serv. of N. J.	43⅝	44
14¼	9¾	—	Radio Corporation of Amer.	10⅜	10⅝
60½	50	3.00	Reynolds Tobacco "B"	50⅞	50¼
55⅞	37¾	3.00	Schnley	47	47⅜
101½	59⅝	3.00	Sears Roebuck	88½	90½
19⅝	12½	0.70	Socony-Vacuum	19¼	19½
32½	25	1.50	Southern California Edison	26½	26⅝
65	23½	—	Southern Pacific	58¾	57¾
18⅛	14⅜	0.80	Standard Brands	14½	14⅝
14⅛	5½	—	Standard Gas & Electric	10½	10⅜
75½	51½	1.00	Standard Oil Co. of N. J.	70½	70⅝
78½	65	3.80	Sterling Products	66¼	66¾
44¾	33	2.00	Texas Gulf Sulphur	40¾	40¼
18⅛	11	0.40	Transamerica	17⅛	16⅛
110½	71⅝	2.80	Union Caride & Carbon	99	101½
149¾	108½	6.00	Union Pacific	141	147½
34⅝	20⅝	0.50	United Aircraft (New)	28⅝	28¾
24⅜	13	0.20	United Airline Trans.	18½	18¾
13⅝	4	—	United Corporation	6	6
19½	13¾	1.00	United Gas Improvement	14	14
59	31¼	—	U. S. Indus. Alcohol	39½	39½
71⅞	16⅝	—	U. S. Rubber	62	63½
126	46⅜	—	U. S. Steel	112½	113⅜
38⅛	16¼	—	Vanadium	32¾	33¾
18⅜	9¼	—	Warner Bros. Pictures	15⅜	15½
167⅝	94½	5.50	Westinghouse Electric	134	136⅝

Call Money: 1 %

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